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)

PROPOSED SPIN-OFF OF LEGEND BIOTECH CORPORATION

Reference is made to the announcement of Genscript Biotech Corporation (the "**Company**", together with its subsidiaries, the "**Group**") dated 10 March 2020 (the "**Announcement**") in relation to the proposed spin-off by way of a separate listing of its majority-owned subsidiary, Legend Biotech Corporation ("**Legend Biotech**") on a recognized stock exchange in the United States through a registered public offering (the "**Proposed Spin-off**"). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as defined in the Announcement.

The board (the "**Board**") of directors (the "**Directors**") of the Company has received queries from its shareholders and potential investors regarding the Proposed Spin-off subsequent to the publication of the Announcement and wishes to respond to the queries as follows:

Question 1: What are the reasons for the Proposed Spin-off?

The Company's response:

The Directors believe that spinning off Legend Biotech as a publicly listed company will enable operational focus and strategy development at both the Company and Legend Biotech level, better align responsibilities and accountabilities of the management teams, offer better financial transparency and improved corporate governance, enhance financial flexibility for both the Company and Legend Biotech.

Question 2: What are the reasons for the proposed initial public offering of Legend Biotech's American Depositary Shares (the "Legend IPO")?

The Company's response:

Legend Biotech, as a part of the Group, has made significant progress since it was first established as follows:

- Legend Biotech's lead product candidate being co-developed with Janssen Biotech, Inc. ("**Janssen**") is LCAR-B38M/JNJ-4528, which finished enrolling U.S. patients for the pivotal Phase 1b/2 trial (CARTITUDE-1) before the end of 2019. Initial results from the Phase 1b portion of the trial were reported at the American Society of Hematology annual meeting in December 2019.

- Legend Biotech and Janssen are now moving quickly to further the clinical development of LCAR-B38M/JNJ-4528. JNJ-4528 identifies the investigational product being studied in the US, Europe, and Japan. LCAR-B38M identifies the investigational product in China which are representative of the same CAR-T cell therapy.

    - The Phase 2 CARTIFAN-1 confirmatory trial (MMY2002, NCT03758417) registered with the China Center for Drug Evaluation (CTR20181007), is actively recruiting to further evaluate LCAR-B38M in patients with advanced relapsed or refractory multiple myeloma in China.

    - In the global, multi-cohort Phase 2 CARTITUDE-2 (MMY2003, NCT04133636) study, JNJ-4528 will be investigated in patients with multiple myeloma in various clinical settings.

    - In the global, randomized, Phase 3 CARTITUDE-4 (MMY3002, NCT04181827) study with approximately 400 patients , JNJ-4528 will be investigated in patients with multiple myeloma who have received 1-3 prior lines of therapy and are refractory to lenalidomide.

- Legend Biotech will continue to build GMP (Good Manufacturing Practice) manufacturing facilities to prepare for the potential commercial launch of LCAR-B38M/JNJ-4528, if approved.

- The above activities require significant resources and although Legend Biotech has received upfront payments and milestone payments from Janssen, and Legend Biotech expects to receive more milestone payments in the future, the Company cannot provide assurances that these resources will be sufficient to fund these activities in the long term.

- In addition to LCAR-B38M/JNJ-4528, Legend Biotech has been actively developing a number of other pipeline programs covering both liquid and solid tumors using both autologous and allogenic technologies. These pipeline programs require significant resources to support and further clinical development.

Owing to the significant need for capital resources to support Legend Biotech's clinical development plans and growth and increase financial flexibility, Legend Biotech is considering its separate listing and has confidentially submitted the F-1 registration statement (the "Registration Statement") with the U.S. Securities and Exchange Commission (the "**SEC**") on 9 March 2020 (New York time).

Question 3: What would be the structure of the proposed Legend IPO?

The Company's response:

- It is currently contemplated that as part of any U.S. listing by Legend Biotech, Legend Biotech would issue new American Depositary Shares (ADSs) to public investors in the United States and receive cash as an exchange.

- The Company will not be selling Legend Biotech's shares it currently owns.

- The controlling shareholders and the executive directors of the Company will not subscribe for additional Legend Biotech's shares in the Legend IPO process.

- Directors, executive officers and substantially all of the existing shareholders of Legend Biotech will likely be subject to customary lock-up agreements following the proposed IPO.

- It is anticipated that after the proposed Legend IPO, the financials of Legend Biotech will continue to be consolidated into financials of the Company.

- Existing shareholders of the Company, through their interest in the Company, will continue to own a majority interest in Legend Biotech.

Question 4: What is the timetable of the proposed Legend IPO?

The Company's response:

- As disclosed in the Announcement, Legend Biotech confidentially submitted the F-1 registration statement (the "**Registration Statement**") with the SEC on 9 March 2020 (New York time).

- Under normal circumstances, it takes approximately a few months for the SEC to review and comment and in response to the SEC's comments, Legend Biotech will update the Registration Statement. During the coming weeks, Legend Biotech will be allowed to conduct "testing the waters" meetings with investors to gauge interest. Thereafter when the SEC's review process is complete, Legend Biotech will take into consideration market conditions and decide if and when is best to launch its IPO roadshow.

Question 5: What are the offering size and price range of the proposed Legend IPO?

The Company's response:

- The terms of the Proposed Spin-off, including offering size, price range and valuation of Legend Biotech, are uncertain and will not be determined until after discussions with the underwriters and potential investors.

A graphical illustration of the above questions and answers is available at the Company's website at https://www.genscript.com/company-news.html?src=pullmenu.

The Proposed Spin-off is subject to, among other things, obtaining of approval(s) from the relevant authorities in respect of the listing of, and permission to deal in, Legend Biotech's securities, and the final decisions of the Board of the Company and the board of directors of Legend Biotech. Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off will take place or as to when it may take place. Shareholders and potential investors of the Company should therefore exercise caution when dealing in or investing in the securities of the Company.

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

Hong Kong, 16 March 2020

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, Mr. Pan Yuexin and Ms. Wang Jiafen; and the independent non-executive Directors are Mr. Guo Hongxin, Mr. Dai Zumian and Mr. Pan Jiuan.

* *For identification purposes only*