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SHANGHAI JUNSHI BIOSCIENCES CO., LTD.*
上海君實生物醫藥科技股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 1877)

INSIDE INFORMATION –
ENTERING INTO THE RESEARCH COLLABORATION AND
LICENSE AGREEMENT WITH LILLY

This announcement is made by Shanghai Junshi Biosciences Co., Ltd.* (上海君實生物醫藥科技股份有限公司) (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) as well as the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, recently, the Company has entered into a Research Collaboration and License Agreement (the “**Agreement**”) with Eli Lilly and Company (“**Lilly**”). Pursuant to the Agreement, among other things, the parties will collaborate in the research, development and commercialization of products relating to SARS-CoV-2 neutralizing antibodies (the “**Junshi SARS-CoV-2 Antibodies**”; Product code: JS016), and Lilly is granted an exclusive license to, among others, conduct research and development activities, make and sell Junshi SARS-CoV-2 Antibodies outside of Greater China (comprising mainland China, Hong Kong, Macau and Taiwan) (“**Greater China**”).

Key Contents of the Agreement

- I.** Licensed Terms: The Company grants an exclusive license to, among others, conduct research and development activities, make and sell Junshi SARS-CoV-2 Antibodies outside of Greater China. Lilly will pay to the Company an upfront fee of US\$10 million, and upon achieving prescribed milestone events, milestone payments of up to US\$245 million for a particular derivative Junshi SARS-CoV-2 Antibody or combination of derivative antibodies corresponding to the same Junshi SARS-CoV-2 Antibody, plus double-digit royalties on the net sales of the product.
- II.** Research and Development Cooperation: Both parties will establish a Joint Steering Committee to oversee and coordinate the research and development of Junshi SARS-CoV-2 Antibodies. The Company will, in collaboration with Lilly, continue to press forward with an IND application for Junshi SARS-CoV-2 Antibodies.

Lilly undertakes to use commercially reasonable efforts to negotiate with the Company to subscribe for the Company's new H shares in the amount of US\$75,000,000, in such terms and conditions to be mutually agreed (the "**Potential Subscription**"). The Potential Subscription is subject to, among other things, entering into of a formal subscription agreement and fulfillment of conditions precedent under such formal agreement to be entered into. The Potential Subscription may or may not materialize or complete. Shareholders and potential investors are advised to exercise caution when dealing in the H shares of the Company.

About Lilly

Lilly is a global health care leader that unites caring with discovery to create medicines that make life better for people around the world. Lilly was founded more than a century ago by a man committed to creating high-quality medicines that meet real needs, and today Lilly remains true to that mission in all their work. Across the globe, Lilly employees work to discover and bring life-changing medicines to those who need them, improve the understanding and management of disease, and give back to communities through philanthropy and volunteerism. Lilly is listed on the New York Stock Exchange (Stock code: LLY).

To the best knowledge, information and belief of the Company having made all reasonable enquiries, Lilly and its ultimate beneficial owner are not connected persons (as defined in the Listing Rules) of the Company.

About Junshi SARS-CoV-2 Antibodies

JS016 is a recombinant fully human monoclonal neutralizing antibody that is specific to the SARS-CoV-2 surface spike protein receptor binding domain and can effectively block the binding of viruses to host cell surface receptor ACE2. The project is jointly developed by the Company and Institute of Microbiology, Chinese Academy of Sciences (the "**IMCAS**") (further details are set out in the announcement of the Company dated 20 March 2020).

At the beginning of the COVID-19 outbreak, the Company rapidly launched the research and development program of neutralizing antibodies to combat COVID-19. Within 2 months, the Company has completed IND enabling pre-clinical studies, the process development and production for GLP toxicity study and GMP production of clinical material by leveraging the Company's platform technology. The Company and Lilly aim to submit an IND application and initiate clinical studies in the United States in the second quarter of the year. Meanwhile, the Company is communicating actively with the Center for Drug Evaluation (the "**CDE**") of the National Medical Products Administration (the "**NMPA**") to initiate the IND application submission in China as soon as possible.

Impact of the Agreement on the Company

Since the outbreak of COVID-19, the Company has been working diligently to join the fight against the pandemic. Entering into the Agreement with Lilly empowers the Company to accelerate the clinical development of Junshi SARS-CoV-2 Antibodies globally. At the same time, with the reputation and operational capabilities of Lilly, the Agreement has the potential to reach broader COVID-19 patient populations in a wider range of countries and regions.

Risk Warning

As pharmaceutical product is characterized by high technology, high risk and high added value with a long life cycle constituted of preclinical R&D, clinical development, drug approval and commercial production, the development process involves many stages and is susceptible to uncertainties, investors are advised to make decision cautiously and pay attention to investment risks. The Company will actively advance the above research and development program according to relevant regulations of the PRC and other relevant regulatory authorities and fulfill its information disclosure obligations in a timely manner in relation to the subsequent progress of the project.

Cautionary Statement required by Rule 18A.05 of the Listing Rules: The Company may not be able to ultimately develop and market the above Junshi SARS-CoV-2 Antibodies successfully. Investors are reminded to exercise caution.

By order of the Board
Shanghai Junshi Biosciences Co., Ltd.*
Mr. Xiong Jun
Chairman

Shanghai, the PRC, 4 May 2020

As at the date of this announcement, the board of directors of the Company comprises Mr. Xiong Jun, Dr. Li Ning, Dr. Feng Hui, Mr. Zhang Zhuobing, Dr. Wu Hai and Dr. Yao Sheng as executive Directors; Mr. Tang Yi, Mr. Li Cong, Mr. Yi Qingqing and Mr. Lin Lijun as non-executive Directors; and Dr. Chen Lieping, Dr. He Jia, Mr. Chen Xinjun, Mr. Qian Zhi and Dr. Roy Steven Herbst as independent non-executive Directors.

* *For identification purpose only*