Shanghai Henlius Biotech, Inc.
上海復宏漢霖生物技術股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 2696)

INSIDE INFORMATION ANNOUNCEMENT

SEMI-EXCLUSIVE LICENSE AGREEMENT WITH ABBOTT FOR HANLIKANG AND HANQUYOU

A. INTRODUCTION

This announcement is made by Shanghai Henlius Biotech, Inc. (the "**Company**") 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, Laws of Hong Kong).

The board of directors of the Company is pleased to announce that on 24 May 2022, the Company entered into a product license agreement (the "**Product License Agreement**") with Abbott Operations Uruguay S.R.L. ("**Abbott**"), pursuant to which, the Company agreed to grant to Abbott a semi-exclusive license to commercialise HANLIKANG and HANQUYOU (together, the "**Licensed Products**") and a non-exclusive license to manufacture the Licensed Products as a back-up manufacturer or have the Licensed Products manufactured by back-up manufacturers in the Field (as defined below) within the Federative Republic of Brazil (the "**Territory**").

B. PRINCIPAL TERMS OF THE PRODUCT LICENSE AGREEMENT

License The Company will grant to Abbott:

(a) a semi-exclusive license, with the right to grant sublicenses in accordance with the terms of the Product License Agreement, under the Company's relevant intellectual property for each of the Licensed Products to use, import, have imported, keep, have kept, market, have marketed, promote, have promoted, distribute, have distributed, offer for sale, sell and have sold the Licensed Products in the Field within the Territory; and

(b) a non-exclusive license, under the Company's relevant licensed intellectual property for each of the Licensed Products to manufacture the Licensed Products as a back-up manufacturer to the Company in the Field within the Territory or to have the Licensed Products manufactured by back-up manufacturers.

Field	(a)	therapeutic use in humans in oncology and rheumatoid arthritis for HANLIKANG;
	(b)	therapeutic use in humans in oncology for HANQUYOU; and
	(c)	therapeutic use in humans in all other indications approved for any of the reference products or extrapolated through use of the reference dossier for HANLIKANG and HANQUYOU.
Payment	Abbott will pay to the Company an upfront fee of US$3.0 million upon execution of the Product License Agreement and not more than US$1.4 million in aggregate on certain regulatory milestone payments pursuant to the terms and conditions of the Product License Agreement.	
Term	The Product License Agreement is effective from the date of its execution and shall, on a Licensed Product-by-Licensed Product basis, continue to be effective for an initial term of 10 years from the commercial launch of the relevant Licensed Products in the Territory unless being terminated in accordance with its terms, and shall be automatically renewed for five years upon expiry of the initial term, unless Abbott notifies the Company of its intention not to renew with a prior notice of at least 180 days.	

The term of "semi-exclusive" as referred to above means that the Company shall have the right to grant, and has already granted, one additional license to a third party to use, import, have imported, keep, have kept, market, have marketed, promote, have promoted, distribute, have distributed, offer for sale, sell and have sold the Licensed Products within the Territory.

C. INFORMATION ABOUT THE LICENSED PRODUCTS

HANLIKANG (rituximab injection), a rituximab independently developed by the Company, was approved for commercialisation in Mainland China (excluding Hong Kong, Macau and Taiwan regions, similarly hereinafter) by National Medical Products Administration ("**NMPA**") in February 2019. As of the date of this announcement, the indications of HANLIKANG approved are: (1) Non-Hodgkin's lymphoma; (2) Chronic Lymphocytic Leukemia (CLL); and (3) Rheumatoid Arthritis (RA).

HANQUYOU (trastuzumab injection, EU trade name: Zercepac®), a trastuzumab independently developed by the Company, was approved for commercialisation in all EU Member States, Iceland, Liechtenstein and Norway and Mainland China by the European Commission (EC) and NMPA in July 2020 and August 2020, respectively. As of the date of this announcement, the indications of HANQUYOU approved are: (1) HER2-positive early breast cancer; (2) HER2-positive metastatic breast cancer; and (3) HER2-positive metastatic adenocarcinoma of the stomach or gastroesophageal junction. The sales promotion of HANQUYOU in Mainland China is led by the Company's inhouse commercialisation team.

D. REASONS AND BENEFITS OF ENTERING INTO THE PRODUCT LICENSE AGREEMENT

Entering into the Product License Agreement with Abbott will help the Company to further expand the overseas market of the Licensed Products. Leveraging Abbott's presence in the Territory will further strengthen the accessibility of the Licensed Products to meet the needs of patients in the Territory.

E. INFORMATION ABOUT ABBOTT

Abbott is a wholly-owned subsidiary of Abbott Laboratories which is listed on the New York Stock Exchange (stock code: ABT).

On behalf of the Board
Shanghai Henlius Biotech, Inc.
Wenjie Zhang
Chairman

Hong Kong, 24 May 2022

As at the date of this announcement, the board of directors of the Company comprises Mr. Wenjie Zhang as the chairman and executive director, Mr. Qiyu Chen, Mr. Yifang Wu, Ms. Xiaohui Guan, Dr. Aimin Hui and Mr. Zihou Yan as the non-executive directors, and Mr. Tak Young So, Dr. Lik Yuen Chan, Dr. Guoping Zhao and Dr. Ruilin Song as the independent non-executive directors.