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)

VOLUNTARY ANNOUNCEMENT – ENTERING INTO THE LICENSE AND COMMERCIALIZATION AGREEMENT WITH DR. REDDY'S

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**") on a voluntary basis. Reference is also made to the overseas regulatory announcement of the Company dated 5 May 2023.

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce that the Company entered into an exclusive license and commercialization agreement (the "**License and Commercialization Agreement**") with Dr. Reddy's Laboratories Limited ("**Dr. Reddy's**") on 5 May 2023, pursuant to which the Company agrees to grant to Dr. Reddy's an license to develop and exclusively commercialize toripalimab injection (product code "**TAB001/JS001**") (the "**License**") in Brazil, Mexico, Colombia, Argentina, Peru, Chile, Panama, Uruguay, India and South Africa (collectively, "**Dr. Reddy's Territory 1**"). Dr. Reddy's may elect to expand the scope of the License to cover Australia, New Zealand and 9 other countries (collectively, "**Dr. Reddy's Territory 2**"; together with Dr. Reddy's Territory 1, "**Dr. Reddy's Territory**").

PRINCIPAL TERMS OF THE LICENSE AND COMMERCIALIZATION AGREEMENT

(1) Details of the License

Under the License and Commercialization Agreement, the Company grants to Dr. Reddy's the license to develop and exclusively commercialize toripalimab injection in Dr. Reddy's Territory 1. Dr. Reddy's may elect to expand the scope of the License to cover Dr. Reddy's Territory 2.

The Company further grants Dr. Reddy's the exclusive right of first negotiation for commercialization, in the event that the Company determines to grant any third party the rights to commercialize two other products as agreed in the License and Commercialization Agreement in one or more countries within the Dr. Reddy's Territory.

(2) Financial terms

The Company may receive an upfront payment of US$7 million along with a sum of US$3 million for potential expansion of Dr. Reddy's Territory 2 and upon achievement of the prescribed milestone events up to US$718.3 million, plus a double-digit percentage of royalties on the net sales of products containing toripalimab injection.

(3) Duration

The License and Commercialization Agreement shall be valid for a period of 10 years following the first commercial sale in the Dr. Reddy's Territory.

(4) Applicable laws

The License and Commercialization Agreement is governed by and construed in accordance with the laws of England and Wales.

ABOUT TORIPALIMAB

Toripalimab injection is the first domestic anti-PD-1 monoclonal antibody approved for marketing in China, and has won the "Chinese Patent Gold Award (中國專利金獎)", the top award in China's patent field. Over thirty company-sponsored toripalimab clinical studies covering more than fifteen indications have been conducted globally, including in China, the United States, Southeast Asia, and Europe. Ongoing or completed pivotal clinical studies evaluating the safety and efficacy of toripalimab cover a broad range of tumor types including cancers of the lung, nasopharynx, esophagus, stomach, bladder, breast, liver, kidney and skin etc. As of the date of this announcement, there are six approved indications for toripalimab in China. In December 2020, toripalimab injection was successfully negotiated into the National Reimbursement Drug List (the "**NRDL**") for the first time. At present, three indications have been included in the NRDL (2022 Edition). Toripalimab is the only anti-PD-1 monoclonal antibody included in the NRDL for the treatment of melanoma. In terms of international layout, as of the date of this announcement, toripalimab has been granted two Breakthrough Therapies, one Fast Track, one Priority Review and five Orphan Drug Designations by the U.S. Food and Drug Administration (the "**FDA**") for the treatment of mucosal melanoma, nasopharyngeal carcinoma ("**NPC**"), soft tissue sarcoma, esophageal cancer and small cell lung cancer. At present, the biological license application (BLA) for toripalimab, in combination with gemcitabine/cisplatin, for the first-line treatment of patients with advanced recurrent or metastatic NPC and toripalimab monotherapy for the second-line or above treatment of recurrent or metastatic NPC after platinum containing chemotherapy, is under review by the FDA. In December 2022 and February 2023, the European Medicines Agency (EMA) and the Medicines and Healthcare products Regulatory Agency (MHRA) accepted the marketing authorization application (MAA) for toripalimab in combination with cisplatin and gemcitabine for the first-line treatment of patients with locally recurrent or metastatic NPC, and toripalimab in combination with paclitaxel and cisplatin for the first-line treatment of patients with unresectable locally advanced/recurrent or metastatic esophageal squamous cell carcinoma, respectively.

ABOUT DR. REDDY'S

Dr. Reddy's is a global pharmaceutical company headquartered in Hyderabad, India and listed on the New York Stock Exchange (stock code: RDY), the National Stock Exchange of India (stock code: DRREDDY), and the Bombay Stock Exchange (stock code: 500124). Established in 1984, Dr. Reddy's is committed to providing access to affordable and innovative medicines. Driven by its purpose of 'Good Health Can't Wait', Dr. Reddy's offers a portfolio of products and services including APIs, generics, branded generics, biosimilars and OTC. Dr. Reddy's major therapeutic areas of focus are gastrointestinal, cardiovascular, diabetology, oncology, pain management and dermatology. Its major markets include – the United States, India, China, Brazil and Europe. As a company with a history of deep science that has led to several industry firsts, Dr. Reddy's continues to plan ahead and invest in businesses of the future. As an early adopter of sustainability and ESG actions, Dr. Reddy's released its first Sustainability Report in 2004. Its current ESG goals aim to set the bar high in environmental stewardship, access and affordability for patients, diversity and governance. For more information, please visit www.drreddys.com.

According to the financial statements of Dr. Reddy's (prepared in accordance with the International Financial Reporting Standards), as of 31 March 2022, the total assets and net assets of Dr. Reddy's were US$3,860 million and US$2,511 million, respectively. For the fiscal year ended 31 March 2022, Dr. Reddy's achieved revenue of US$2,826 million and net profit of US$311 million.

To the best knowledge, information and belief of the Company having made all reasonable enquiries, Dr. Reddy's and its ultimate beneficial owners are not connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) of the Company. Save for the aforementioned cooperation, there is no other relationship between Dr. Reddy's and the Company in terms of property rights, businesses, assets, credits and debts or human resources. As such, this transaction does not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. In addition, this transaction does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

REASONS FOR AND BENEFITS OF GRANTING THE LICENSE

The entering into of the License and Commercialization Agreement is important for the Company's continued expansion of its global business network and will accelerate the overseas market expansion of toripalimab and other products of the Company, which will provide patients in Dr. Reddy's Territory with high-quality treatment options, and is expected to have a positive impact on the sustained operations of the Company.

RISK WARNING

As pharmaceutical product is characterized by high technology, high risk and high added value with a long-life cycle constituted of research and development, clinical development, drug approval and commercial production, the development process involves many stages and is susceptible to uncertainties, thus the successful commercialization of toripalimab injection in the Dr. Reddy's Territory is subject to certain uncertainties. In addition, the payments as agreed under the License and Commercialization Agreement are subject to the fulfillment of certain conditions precedent, and the ultimate payments and the impact on the Company's future revenue and profit remain uncertain. Investors are therefore advised to make decision cautiously and pay attention to investment risks. The Company will fulfill its information disclosure obligations in a timely manner in relation to the subsequent progress of the project in strict accordance with the relevant regulations.

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

Shanghai, the PRC, 5 May 2023

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. Yao Sheng, Mr. Li Cong and Dr. Zou Jianjun as executive directors; Dr. Wu Hai and Mr. Tang Yi as non-executive directors; and Dr. Chen Lieping, Dr. Roy Steven Herbst, Mr. Qian Zhi, Mr. Zhang Chun and Dr. Feng Xiaoyuan as independent non-executive directors.

* *For identification purpose only*