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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)

ADJUSTMENTS TO THE LIST OF PARTICIPANTS AND THE NUMBER OF A SHARE OPTIONS TO BE GRANTED AND THE FIRST GRANT OF A SHARE OPTIONS TO THE PARTICIPANTS PURSUANT TO THE 2025 A SHARE OPTION INCENTIVE SCHEME

References are made to the announcement dated 2 September 2025 and the circular dated 5 September 2025 (the "**Circular**") of Shanghai Junshi Biosciences Co., Ltd.* (the "**Company**") in relation to, among other things, the 2025 A Share Option Incentive Scheme of the Company and the Proposed Grant to Mr. Xiong. Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

INTRODUCTION

The Board of Directors is pleased to announce that, among other things, the resolutions regarding (i) the proposed adoption of the 2025 A Share Option Incentive Scheme, and the Proposed Grant to Mr. Xiong; (ii) the adoption of the Assessment Management Measures for the Implementation of the 2025 A Share Option Incentive Scheme; and (iii) the authorization to be granted to the Board of Directors to handle matters in relation to the 2025 A Share Option Incentive Scheme were approved by the Shareholders at the EGM held on 29 September 2025. The Board of Directors is authorized to determine the Grant Date, grant the A Share Options to the Participants after the relevant conditions having been satisfied and handle all matters necessary for the grant of A Share Options. Details of the poll results are set out in the poll results announcement of the Company dated 29 September 2025. The Company has also conducted a self-investigation on the trading of its Shares by persons with inside information in respect of the 2025 A Share Option Incentive Scheme and the Participants within six months prior to the announcement of the draft 2025 A Share Option Incentive Scheme, and has not identified the trading of Shares with the use of such inside information. Further details of the self-investigation report are set out in the Company's overseas regulatory announcement dated 29 September 2025.

ADJUSTMENTS TO THE LIST OF PARTICIPANTS AND THE NUMBER OF A SHARE OPTIONS TO BE GRANTED UNDER THE FIRST GRANT OF A SHARE OPTIONS

In light of the fact that 16 Participants have ceased to qualify as Participants, either by reason of cessation of employment or voluntary waiver of their entitlements to the A Share Options for other reasons, the Board of Directors, upon the approval of the Remuneration and Appraisal Committee and acting pursuant to the authority granted by the Shareholders at the EGM, has resolved to adjust the list of Participants and the number of A Shares to be granted under the First Grant of A Share Options pursuant to the 2025 A Share Option Incentive Scheme. Upon the adjustment, the number of Participants under the First Grant of A Share Options pursuant to the 2025 A Share Option Incentive Scheme has been adjusted from 251 to 235, the number of A Share Options to be granted under the First Grant of A Share Options has been adjusted from 25,360,000 to 25,150,000, and the total number of A Share Options to be granted pursuant to the 2025 A Share Option Incentive Scheme has been adjusted from 26,175,871 to 25,965,871 (the "**Adjustments**").

Following such Adjustments, the Participants remain within the scope of eligible Participants as permitted under the 2025 A Share Option Incentive Scheme that was approved by the Shareholders at the EGM. Save for the aforementioned Adjustments, no other amendments have been made to the terms of the 2025 A Share Option Incentive Scheme as approved by the Shareholders at the EGM. The Adjustments would have no material impact on the financial condition and operating results of the Company, and there exists no circumstances which are harmful to the interests of the Company and the Shareholders.

Pursuant to the authorization granted by the Shareholders at the EGM, the above Adjustments are not required to be submitted to the Shareholders for approval.

FIRST GRANT OF A SHARE OPTIONS TO THE PARTICIPANTS PURSUANT TO THE 2025 A SHARE OPTION INCENTIVE SCHEME

Pursuant to the requirements of the Measures for the Administration of Equity Incentive Schemes for Listed Companies and the 2025 A Share Option Incentive Scheme Rules, all of the following conditions must be satisfied for the Participants to be granted with A Share Options:

(1) there is no occurrence of any of the following to the Company:

   (a) issuance of an auditors' report with an adverse opinion or a disclaimer of opinion by certified public accountants in respect of the Company's financial accounting report for the most recent accounting year;

   (b) issuance of an auditors' report with an adverse opinion or a disclaimer of opinion by certified public accountants in respect of the Company's internal control over financial reporting for the most recent accounting year;

(c) failure to carry out profit distribution in accordance with the laws and regulations, the Articles of Association or public undertakings during the most recent 36 months after listing;

(d) prohibition from implementation of any equity incentives by applicable laws and regulations;

(e) any other circumstances as prescribed by the CSRC.

(2) there is no occurrence of any of the following to the Participants:

(a) being deemed as an inappropriate candidate by the stock exchanges in the PRC in the most recent 12 months;

(b) being deemed as an inappropriate candidate by the CSRC or any of its dispatch agencies in the most recent 12 months;

(c) being imposed with administrative penalties or market access restrictions by the CSRC or any of its dispatch agencies due to material breach of laws and regulations in the most recent 12 months;

(d) being prohibited from acting as a director or a senior management of a company under the PRC Company Law;

(e) being prohibited from participating in any equity incentives of a listed company under laws and regulations; or

(f) any other circumstances as prescribed by the CSRC.

None of the above conditions have occurred on the part of the Company and the Participants. The conditions for the First Grant of A Share Options as stipulated in the 2025 A Share Option Incentive Scheme have been satisfied. The Board of Directors, as well as the Remuneration and Appraisal Committee, resolved that the Grant Date of the First Grant of A Share Options shall be 29 September 2025, on which 25,150,000 A Share Options will be granted to 235 eligible Participants at the exercise price of RMB46.67 per A Share.

Particulars of the First Grant of A Share Options pursuant to the 2025 A Share Option Incentive Scheme are as follows:

Grant Date:	29 September 2025
Number of options granted:	25,150,000 A Share Options
Number of Participants:	235 Participants, including 234 are employees of the Group and not connected persons of the Company, and Mr. Xiong, an executive Director and a substantial shareholder
Exercise Price:	RMB46.67 per A Share which represents the higher of (i) the average trading price of the A Shares on the trading day preceding the announcement date of the draft 2025 A Share Option Incentive Scheme, i.e., RMB46.67 per A Share; and (ii) the average trading price of the A Shares for the 120 trading days preceding the announcement date of the draft 2025 A Share Option Incentive Scheme, i.e., RMB37.00 per A Share.
Source of the A Shares:	New ordinary A Shares to be issued by the Company to the Participants.
Validity Period:	The validity period of the 2025 A Share Option Incentive Scheme commences on the Grant Date of the First Grant of A Share Options and ends on the date on which all A Share Options granted to the Participants have been exercised or cancelled. Such validity period shall not exceed 48 months.
Vesting period:	The vesting period for the A Share Options shall commence from the respective grant date and end on the exercise date of the A Share Options. The A Share Options granted to the Participants shall be subject to different vesting periods, with each calculated from the respective grant date. The vesting periods for the First Grant of A Share Options shall be 12 months and 24 months from the date of the First Grant of A Share Options, respectively. The vesting periods for the Reserved Grant of A Share Options shall be 12 months and 24 months from the date of the Reserved Grant, respectively. During the vesting period, the A Share Options granted to the Participants shall not be transferred, pledged for guarantees or used for repayment of debt.

Performance targets: The performance targets for the 2025 A Share Option Incentive Scheme stipulate that the ability of the Participants (including Mr. Xiong) under the First Grant of A Share Options to exercise A Share Options each year from 2025 to 2026 depends on both performance assessment requirements at the Company level and individual level.

(i) Performance assessment requirements at the Company level

The assessment years applicable to the vesting of the First Grant of A Share Options to be granted shall be the two fiscal years (from 2025 to 2026), and the performance assessment shall be carried out on a yearly basis. The Participants (including Mr. Xiong) shall be assessed once in a fiscal year, and the satisfaction of the performance assessment targets shall be one of the conditions of vesting of the relevant year. The performance assessment targets for each year are subject to the vesting amounts:

Exercise Period	**Corresponding Assessment Years**	**Performance Target A**	**Performance Target B**	**Performance Target C**
		Exercise proportion 100%	**Exercise proportion 90%**	**Exercise proportion 80%**
First Exercise Period	2025	Fulfillment of any of the following conditions: (1) the operating income in 2025 shall not be less than RMB2.4 billion; (2) the loss reduction ratio for net profit in 2025 shall not be less than 29% as compared with 2024.	Fulfillment of any of the following conditions: (1) the operating income in 2025 shall not be less than RMB2.3 billion; (2) the loss reduction ratio for net profit in 2025 shall not be less than 27% as compared with 2024.	Fulfillment of any of the following conditions: (1) the operating income in 2025 shall not be less than RMB2.2 billion; (2) the loss reduction ratio for net profit in 2025 shall not be less than 25% as compared with 2024.

Second Exercise Period	2026	Fulfillment of any of the following conditions: (1) the accumulated operating income from 2025 to 2026 shall not be less than RMB5.4 billion; (2) the loss reduction ratio for net profit in 2026 shall not be less than 76% as compared with 2024.	Fulfillment of any of the following conditions: (1) the accumulated operating income from 2025 to 2026 shall not be less than RMB5.2 billion; (2) the loss reduction ratio for net profit in 2026 shall not be less than 74% as compared with 2024.	Fulfillment of any of the following conditions: (1) the accumulated operating income from 2025 to 2026 shall not be less than RMB5.0 billion; (2) the loss reduction ratio for net profit in 2026 shall not be less than 72% as compared with 2024.

Notes:

1. If the Company enters into a new external licensing cooperation (BD transactions) for pharmaceutical products in the future, and the amount of upfront payment exceeds the Company's operating income of the previous year, the revenue and costs generated from such transactions will not be included from the performance assessment.

2. In each of the assessment years above, the operating income and the net profit shall be calculated based on the audited consolidated statements prepared by the accounting firm, and the results are rounded to two decimal places. The net profit shall be calculated based on the audited net profit attributable to shareholders of the listed company, excluding the share-based payment expenses incurred by the company in implementing all share incentive plans.

3. The performance targets associated with the Exercise Conditions do not constitute the Company's performance forecast or substantive commitment to investors.

During the Exercise Period, the Company shall handle the issues concerning the exercise of the A Share Options for the Participants (including Mr. Xiong) when they fulfill the Exercise Conditions. If the performance levels for the current period of the Company do not fulfill the conditions of performance target C during such Exercise Period, the Participants (including Mr. Xiong) shall not exercise the exercisable A Share Options that shall be assessed in such year, the Company shall cancel the A Share Options exercisable by the Participants (including Mr. Xiong) for the current period.

(ii) Performance assessment requirements at the individual level

The individual assessment of each Participant (including Mr. Xiong) is carried out according to the internal performance assessment system of the Company. The results of the individual performance assessment of each Participant (including Mr. Xiong) are divided into five levels: "outstanding", "excellent", "meets standards", "partly meets standards" and "fails to meet standards", and the corresponding exercising availability is as follows:

Appraisal Results	**"Outstanding" or "Excellent" or "Meets Standard"**	**Partially Meets Standard**	**Does Not Meet Standard**
Individual Exercise Availability Factor (P)	100%	50%	0%

(iii) Application of the Assessment Results

The actual number of A Share Options available for exercise by each Participant (including Mr. Xiong) for the current assessment year = the number for exercise by each Participant (including Mr. Xiong) under the 2025 A Share Option Incentive Scheme for the current year × company exercise availability factor × individual exercise availability factor (P).

The A Share Options of the Participants (including Mr. Xiong) that cannot be exercised or cannot be fully exercised for the current assessment year shall be cancelled by the Company, and shall not be deferred to subsequent years.

Clawback mechanism: In the event that one of the following clawback circumstances set out below occurs to a Participant (including Mr. Xiong), the A Share Options that have been granted to such Participant (including Mr. Xiong) shall not be exercised and shall be cancelled by the Company:

(a) the Participant (including Mr. Xiong) being deemed as an inappropriate candidate by the stock exchanges in the PRC in the most recent 12 months;

(b) the Participant (including Mr. Xiong) being deemed as an inappropriate candidate by the CSRC or any of its dispatch agencies in the most recent 12 months;

(c) being imposed with administrative penalties or market access restrictions by the CSRC or any of its dispatch agencies due to material breach of laws and regulations in the most recent 12 months;

(d) being prohibited from acting as a director or a senior management of a company under the PRC Company Law;

(e) being prohibited from participating in any equity incentives of a listed company under laws and regulations; or

(f) any other circumstances as prescribed by the CSRC.

Exercise Date:

Upon expiry of the vesting periods under the 2025 A Share Option Incentive Scheme, the A Share Options granted to the Participants will enter the Exercise Period. Upon fulfilment of the corresponding Exercise Conditions, the A Share Options shall be exercised in accordance with the exercise arrangements of the 2025 A Share Option Incentive Scheme, subject to compliance with the relevant regulations of the CSRC, the Shanghai Stock Exchange, and the Hong Kong Stock Exchange. The exercise date must be a trading day, and shall not fall within any of the following periods:

(i) within 15 days prior to the publication of annual and interim reports of the Company. In case of any postponed publication of such reports due to special circumstances, the period shall be 15 days prior to the original scheduled publication date to the day before the actual publication date;

(ii) within 5 days prior to the publication of quarterly reports, results forecast or preliminary results of the Company;

(iii) during the period from the date of occurrence of a material event which may have a considerable impact on the trading price of the shares of the Company and their derivatives, or the date of entering the decision-making process, up to the date of disclosure in accordance with the laws;

(iv) any other period stipulated by the CSRC, the Shanghai Stock Exchange, and the Hong Kong Stock Exchange.

The above "material event" refers to a transaction or other significant event that should be disclosed by the Company under the STAR Market Listing Rules. During the validity period of the 2025 A Share Option Incentive Scheme, if there is any change to the requirements regarding the above periods under the PRC Company Law, the PRC Securities Law and other relevant laws, administrative regulations, regulatory documents and the Articles of Association, the exercise of A Share Options by the Participants shall be subject to the PRC Company Law, the PRC Securities Law and other relevant laws, regulations, regulatory documents and the Articles of Association as amended.

Exercise Arrangement

The Exercise Period and exercise arrangement for the First Grant of A Share Options are as follows:

Exercise Arrangement	Exercise Period	Proportion of exercisable A Share Options to the total number of A Share Options granted
First Exercise Period	Commencing from the first trading day after the expiry of the 12th month from the Grant Date of the First Grant of A Share Options, and ending on the last trading day of the 24th month from the Grant Date of the First Grant of A Share Options	50%
Second Exercise Period	Commencing from the first trading day after the expiry of the 24th month from the Grant Date of the First Grant of A Share Options, and ending on the last trading day of the 36th month from the Grant Date of the First Grant of A Share Options	50%

A Share Options for which the Exercise Conditions are not fulfilled during the above agreed period shall not be exercised or deferred to the next Exercise Period, and the relevant A Share Options of such Participants (including Mr. Xiong) shall be cancelled by the Company in accordance with the principles stipulated in the 2025 A Share Option Incentive Scheme. After the end of each Exercise Period of the A Share Options, the A Share Options that have not been exercised by the Participants (including Mr. Xiong) for the current period shall be terminated and cancelled by the Company.

Upon fulfilment of the Exercise Conditions for the A Share Options, the Company shall handle the matters in relation to the exercise of such A Share Options for the Participants (including Mr. Xiong).

List of Participants and the Details of the Grant:

Name/Type	Position held within the Group	Number of the A Share Options to be granted	Percentage to the total number of A Share Options to be granted (approximately)	Percentage to the total number of issued shares of the Company as at the Grant Date
First grant				
Director				
Xiong Jun	Chairman of the Board and executive Director	8,000,000	30.81%	0.78%
Other Participants				
Employees whom the Board of Directors has determined should be incentivized (234 persons)	Employee	17,150,000	66.05%	1.67%
Sub-total for the first grant		25,150,000	96.86%	2.45%
Reserved grant		815,871	3.14%	0.08%
Total		25,965,871	100%	2.53%

Notes:

1. The total number of Shares to be granted to any Participant under all share incentive schemes of the Company which are within their validity periods does not exceed 1% of the total number of issued Shares of the Company as at the date of the 2025 A Share Option Incentive Scheme being submitted to the general meeting. The cumulative total number of underlying shares involved under all share incentive schemes of the Company which are within their validity periods does not exceed 10% of the total number of issued Shares (excluding treasury shares) as at the date of the 2025 A Share Option Incentive Scheme being submitted to the general meeting.

2. The Participants for the First Grant under the 2025 A Share Option Incentive Scheme exclude independent Directors, Supervisors and members of the senior management of the Company.

3. The Participants of the Reserved Grant shall be determined within 12 months after the 2025 A Share Option Incentive Scheme being considered and approved at a general meeting. The Company will announce relevant information about the Participants on the designated website timely and accurately in accordance with the requirements after the Board of Directors having made such proposal, the Remuneration and Appraisal Committee having expressed clear opinions, and the Company's PRC legal advisor having provided professional opinions and issued legal opinions.

4. Any discrepancies between the total shown and the breakdowns of the amounts listed in the table are due to rounding.

Accounting treatment and estimated impact on performance

(I) Fair value of the A Share Options and its basis of determination

In accordance with the relevant requirements of the Accounting Standards for Business Enterprises No. 11 – Share-Based Payments* (《企業會計準則第 11 號－股份支付》) and the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments* (《企業會計準則第 22 號－金融工具確認和計量》), the Company uses the binomial model as the pricing model, and the Company uses this model to make an estimation on the fair value of the A Share Options under the First Grant based on 29 September 2025 (the Grant Date of the First Grant) as the benchmark date. The specific parameters are selected as follows:

(1) Underlying share price: RMB41.09 per A Share (the closing price on the Grant Date of the First Grant is RMB41.09 per A Share);

(2) Validity periods: 1 year and 2 years, respectively (i.e., the period from Grant Date to the first exercise date of each Exercise Period);

(3) Historical volatility: 40.18% and 40.82%, respectively (using the volatility rates of the comparable companies for the relevant periods);

(4) Risk-free interest rates: 1.51% and 1.53% (based on the yield of Chinese government bonds on the benchmark date respectively. The Company selected the yield of Chinese government bonds closest to maturity as the risk-free rate);

(II) Estimated Impact of the Implementation of A Share Options on Operating Performance in Each Period

In accordance with applicable valuation standards, the Company determined the fair value of the A Share Options as of the Grant Date and subsequently recognized the share-based payments related to the 2025 A Share Option Incentive Scheme. The total incentive cost associated with the 2025 A Share Option Incentive Scheme will be allocated and recognized in installments over the duration of the 2025 A Share Option Incentive Scheme, in proportion to the relevant vesting periods, and will be recorded in the Company's operating profit or loss.

In accordance with accounting standards, assuming that all the Participants meet the Exercise Conditions stipulated in the 2025 A Share Option Incentive Scheme and exercise all their rights within each Exercise Period, the amortization of cost of the A Share Options from the years 2025 to 2027 is as follows:

Unit: RMB0'000

Number of A Share Options under the First Grant of A Share Options (0,000)	**Total expenses to be amortized**	**2025**	**2026**	**2027**
2,515.00	19,352.00	3,441.83	11,721.67	4,188.50

Notes:

1. The above cost amortization forecast does not represent the final accounting costs. The actual accounting costs are not only related to the actual Grant Date, the closing price on the Grant Date, and the number of A Share Options granted, but are also related to the actual number of A Share Options available for exercise and lapsed. Shareholders are also advised to pay attention to the potential dilutive effect.

2. The final impact of the above cost amortization forecast on the Company's operating results will be subject to the audit report issued by the accounting firm for the year.

3. Any discrepancies between the total shown and the breakdowns of the amounts listed in the above table are due to rounding.

The costs associated with the 2025 A Share Option Incentive Scheme will be recognized as part of the Company's costs and expenses. Based on current information and without taking into account any potential positive impact of the 2025 A Share Option Incentive Scheme on the Company's performance, it is estimated that the amortization of these costs and expenses will affect the Company's net profit in each year during the validity period of the 2025 A Share Option Incentive Scheme. However, taking into consideration the anticipated positive effects of the 2025 A Share Option Incentive Scheme, such as increased motivation among key employees, improved operational efficiency, and reduced operating costs, the 2025 A Share Option Incentive is expected to have a positive impact on the Company's overall performance.

A SHARES AVAILABLE FOR FUTURE GRANT UNDER THE 2025 A SHARE OPTION INCENTIVE SCHEME

The maximum number of A Shares which may be issued in respect of all A Share Options which may be granted pursuant to the 2025 A Share Option Incentive Scheme will be 25,965,871 A Shares, representing approximately 2.53% of the total number of Shares (excluding treasury shares) in issue as at the Adoption Date. As at the date of this announcement, 815,871 A Shares are available for future grant under the aforementioned scheme mandate limit.

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

Shanghai, the PRC, 29 September 2025

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Xiong Jun, Dr. Li Ning, Dr. Zou Jianjun, Mr. Li Cong, Mr. Zhang Zhuobing, Dr. Yao Sheng, Dr. Wang Gang and Dr. Li Xin as executive Directors; Mr. Tang Yi as a non-executive Director; and Mr. Zhang Chun, Dr. Feng Xiaoyuan, Mr. Li Zhongxian, Ms. Lu Kun and Dr. Yang Jin as independent non-executive Directors.

* *For identification purpose only*