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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)

CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTIONS
COLLABORATION AGREEMENTS WITH AVANC PHARMA FOR FOVINACICLIB CITRATE CAPSULES

COLLABORATION ARRANGEMENT

On 3 December 2025, the Company entered into the Collaboration Agreements with Avanc Pharma, pursuant to which Avanc Pharma agreed to grant to the Group an exclusive license to commercialise the Licensed Product in the Field in the Territory. The Collaboration Agreements were entered into subsequent to the Memorandum of Cooperation (which constitutes a de minimis transaction under the Listing Rules) entered into by both parties on 7 August 2025, pursuant to which the Group obtained the exclusive rights to commercialise the Licensed Product within the PRC during the Transition Period until the date on which both parties enter into the formal Collaboration Agreements. The Memorandum of Cooperation also stipulates that both parties shall enter into formal agreements once the relevant conditions are met. The Memorandum of Cooperation has been superseded by the Collaboration Agreements and was automatically terminated on 3 December 2025.

REASONS FOR, AND BENEFITS OF, THE COLLABORATION AGREEMENTS

The Licensed Product (Fovinaciclib Citrate Capsules), as a CDK4/6 inhibitor, has been approved to be used for the treatment of HR+ and HER2-breast cancer. The Licensed Product is in line with the commercialisation layout of the Company in the field of breast cancer, and commercially synergizes with other exiting breast cancer pipeline products of the Company. The introduction of the Licensed Product can enrich the pipelines of the Company, and increase the scale of the Group's revenue in the future leveraging the existing breast cancer commercialisation team and resources of the Group.

LISTING RULES IMPLICATIONS UNDER CHAPTER 14A OF THE LISTING RULES

As at the date of this announcement, Avanc Pharma is a subsidiary of Fosun Pharma (a controlling shareholder of the Company), therefore Avanc Pharma is a connected person of the Company by virtue of being an associate of the Company's controlling shareholder.

As the highest applicable percentage ratio in respect of the Transitional Transactions under the Memorandum of Cooperation is less than 0.1%, the Transitional Transactions are exempt from the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules. For the sake of prudence, given the Memorandum of Cooperation and the Collaboration Agreements were entered into within a 12-month period, the Transitional Transactions have been aggregated with the transactions under the Collaboration Agreements for the purpose of Rule 14A.81 of the Listing Rules.

Regarding the Collaboration Agreements, under Chapter 14A of the Listing Rules: (i) the payment of Security Deposit would constitute a one-off connected transaction of the Company; (ii) in the Covered Areas, the Covered Area Supply Transactions regarding supply of Licensed Product from Avanc Pharma to the Group would constitute continuing connected transactions of the Company; and (iii) in the Uncovered Areas, the transactions of the Uncovered Area Commercialisation Services to be provided by the Group to Avanc Pharma would constitute continuing connected transactions of the Company.

With respect to (i) above, the payment of the Security Deposit pursuant to the Collaboration Agreements constitutes financial assistance provided by the Company to Avanc Pharma under the Listing Rules. As the highest applicable percentage ratio in respect of the Security Deposit exceeds 0.1% but less than 5%, the payment of the Security Deposit is subject to the reporting and announcement requirements, but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

With respect to (ii) above, as the highest applicable percentage ratio in respect of the relevant proposed annual caps for the Covered Area Supply Transactions contemplated under the Collaboration Agreements, on an aggregated basis with the Transitional Transactions, is more than 0.1% but less than 5%, the Covered Area Supply Transactions contemplated under the Collaboration Agreements are subject to the reporting, announcement and annual review requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

With respect to (iii) above, as the highest applicable percentage ratio in respect of the relevant proposed annual caps for the Uncovered Area Commercialisation Services contemplated under the Collaboration Agreements payable by Avanc Pharma to the Company under the Cooperation Agreements, whether on a standalone basis or on an aggregated basis with the Transitional Transactions, is less than 0.1%, the Uncovered Area Commercialisation Services contemplated under the Collaboration Agreements are exempt from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

A. INTRODUCTION

On 3 December 2025, the Company entered into the Collaboration Agreements with Avanc Pharma, pursuant to which Avanc Pharma agreed to grant to the Group an exclusive license to commercialise the Licensed Product in the Field in the Territory. The Collaboration Agreements were entered into subsequent to the Memorandum of Cooperation (which constitutes a de minimis transaction under the Listing Rules) entered into by both parties on 7 August 2025, pursuant to which the Group obtained the exclusive rights to commercialise the Licensed Product within the PRC during the Transition Period until the date on which both parties enter into the formal Collaboration Agreements. The Memorandum of Cooperation also stipulates that both parties shall enter into formal agreements once the relevant conditions are met. The maximum aggregate amount payable by the Company to Avanc Pharma pursuant to the Memorandum of Cooperation during the Transition Period is less than RMB5 million. The Memorandum of Cooperation has been superseded by the Collaboration Agreements and was automatically terminated on 3 December 2025.

B. PRINCIPAL TERMS OF THE COLLABORATION AGREEMENTS

The principal terms of the Collaboration Agreements are summarised as follows:

(i) Licensed Matters

Avanc Pharma will grant to the Group:

(a) an exclusive license to commercialise the Licensed Product in the Field in the Territory; and

(b) a co-exclusive license to develop the Licensed Product in the Field in the Territory for the purpose of item (a) above.

(ii) Commercial Operation Arrangements

Based on the relevant policies in the Territory, to commercialise the Licensed Product in the Territory:

(a) in the Covered Areas, Avanc Pharma shall supply the Licensed Product to the Group or sub-licensees at the Supply Unit Price.

(b) in the Uncovered Areas, Avanc Pharma shall supply the Licensed Product to the distributors designated by the Group at the price agreed upon in the distribution agreements entered with such distributors. Such distributors and corresponding sales channels shall be designated and uniformly managed by the Group. In these areas, the Group shall provide the Uncovered Area Commercialisation Services, including but not limited to market access, marketing, management, and coordination of distribution channels, if applicable, and Avanc Pharma shall pay the Group the fees for the Uncovered Area Commercialisation Services.

(iii) Consideration

Pursuant to the Collaboration Agreements, the Company is required to make the following payments to Avanc Pharma:

(a) **Security Deposit:** a security deposit of RMB50 million (the "**Security Deposit**") within 10 days upon the Effective Date of the Collaboration Agreements and receipt of the written payment notice issued by Avanc Pharma.

Except for the specific early termination as agreed in the Collaboration Agreements, the Security Deposit of RMB50 million shall be refunded in full by Avanc Pharma to the Company within 60 days upon the expiry of the tenth anniversary of the first commercial sale of the Licensed Product in the Territory (or the early termination of the Collaboration Agreements, whichever is earlier) and receipt of the written refund notice issued by the Company.

The amount of the Security Deposit is determined after arm's length negotiations between the parties taking into account the arrangements for similar transactions in the pharmaceutical industry and the overall transaction arrangements of the Collaboration Agreements.

(b) **Supply Price Payments:**

(i) The Supply Unit Price for the supply of Licensed Product in the Covered Areas shall be calculated by deducting the relevant share based on the licensee's commercialisation service fee ratio from 95% of the Terminal Price. The licensee's commercialisation service fee ratio for each calendar year shall be separately negotiated and agreed upon by the parties, taking into account comprehensive consideration factors such as the Group's estimated marketing investment, the market competition landscape, industry practices and the mutual commercial objectives of the parties. Furthermore, the licensee's commercialisation service fee ratio applicable in any year during the term of the Collaboration Agreements shall not be lower than 30%.

The Supply Unit Price is determined after arm's length negotiations between the parties taking into account (1) the agreements for similar transactions between the Company and other independent third parties; (2) the overall pricing terms of the Collaboration Agreements; and (3) the industry practices. The pricing is within the reasonable range of the industry.

(ii) The Supply Price Payments for the supply of Licensed Product in the Covered Areas shall be calculated by multiplying the Supply Unit Price by the quantity of Licensed Product purchased by the Group from Avanc Pharma.

In addition, in the Uncovered Areas, Avanc Pharma will pay service fees to the Group for the Uncovered Area Commercialisation Services related to the commercialisation of the Licensed Product, including but not limited to market access, marketing, management, and coordination of distribution channels, if applicable. As the highest applicable percentage ratio in respect of the proposed annual caps for such service fees for the relevant year is below 0.1%, the transactions of the Uncovered Area Commercialisation Services contemplated under the Collaboration Agreements are exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. For details, please refer to paragraph F headed "LISTING RULES IMPLICATIONS UNDER CHAPTER 14A OF THE LISTING RULES".

(iv) Term of the Collaboration Agreements

The Collaboration Agreements shall become effective from the Effective Date and shall remain fully valid until the third anniversary of the Effective Date. The term shall then be automatically renewed for 3 years, subject to compliance with the Listing Rules and relevant applicable laws and regulations, unless the Collaboration Agreements is terminated earlier pursuant to the terms therein.

C. INFORMATION ABOUT THE LICENSED PRODUCT

Fovinaciclib Citrate Capsules (trade name: 復妥寧®) is an innovative CDK4/6 small molecule inhibitor, which is an orally administered, potent, highly selective, innovative small molecule drug with a new structure. Fovinaciclib Citrate Capsules have been approved for marketing in mainland China in May 2025, with current approved indications include: (1) in combination with Fulvestrant for the treatment of adult patients with hormone receptor (HR) positive and human epidermal growth factor receptor-2 (HER2) negative recurrent or metastatic breast cancer, who have experienced disease progression after prior endocrine therapy, and (2) in combination with an aromatase inhibitor as initial endocrine therapy for the treatment of adult patients with hormone receptor (HR) positive and human epidermal growth factor receptor-2 (HER2) negative locally advanced or metastatic breast cancer.

D. REASONS FOR, AND BENEFITS OF, THE COLLABORATION AGREEMENTS

The Licensed Product (Fovinaciclib Citrate Capsules), as a CDK4/6 inhibitor, has been approved to be used for the treatment of HR+ and HER2-breast cancer. The Licensed Product is in line with the commercialisation layout of the Company in the field of breast cancer, and commercially synergizes with other exiting breast cancer pipeline products of the Company. The introduction of the Licensed Product can enrich the pipelines of the Company, and increase the scale of the Group's revenue in the future leveraging the existing breast cancer commercialisation team and resources of the Group.

E. HISTORICAL AMOUNT AND PROPOSED ANNUAL CAPS

Transaction amount paid by the Group to Avanc Pharma pursuant to the Memorandum of Cooperation during the Transition Period from 7 August 2025 to 3 December 2025 is approximately RMB4.37 million. Prior to the Memorandum of Cooperation, there is no historical transaction between the Group and Avanc Pharma with respect to the transactions contemplated under the Collaboration Agreements.

The maximum transaction amount to be paid by the Group to Avanc Pharma with respect to the Covered Area Supply Transactions under the Collaboration Agreements for the years ending 31 December 2025, 2026 and 2027, and the period from 1 January 2028 to 2 December 2028 will not exceed RMB25.65 million (including the transaction amount incurred during the Transition period), RMB36.87 million, RMB84.31 million and RMB226.18 million, respectively.

The proposed annual caps are determined with reference to, among other things, (i) the actual transaction amount incurred during the Transition Period, (ii) the current market situation and the expected terminal sales quantity of the Licensed Product in the Covered Areas in the relevant year, (iii) the expected Terminal Price of the Licensed Product in the Covered Areas, and (iv) the estimated licensee's commercialisation service fee ratio for each year during the term of the agreements.

F. LISTING RULES IMPLICATIONS UNDER CHAPTER 14A OF THE LISTING RULES

As at the date of this announcement, Avanc Pharma is a subsidiary of Fosun Pharma (a controlling shareholder of the Company), therefore Avanc Pharma is a connected person of the Company by virtue of being an associate of the Company's controlling shareholder.

As the highest applicable percentage ratio in respect of the Transitional Transactions under the Memorandum of Cooperation is less than 0.1%, the Transitional Transactions are exempt from the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules. For the sake of prudence, given the Memorandum of Cooperation and the Collaboration Agreements were entered into within a 12-month period, the Transitional Transactions have been aggregated with the transactions under the Collaboration Agreements for the purpose of Rule 14A.81 of the Listing Rules.

Regarding the Collaboration Agreements, under Chapter 14A of the Listing Rules:

(i) the payment of Security Deposit would constitute a one-off connected transaction of the Company;

(ii) in the Covered Areas, the Covered Area Supply Transactions would constitute continuing connected transactions of the Company; and

(iii) in the Uncovered Areas, the Uncovered Area Commercialisation Services would constitute continuing connected transactions of the Company.

With respect to (i) above, the payment of the Security Deposit pursuant to the Collaboration Agreements constitutes financial assistance provided by the Company to Avanc Pharma under the Listing Rules. As the highest applicable percentage ratio in respect of the Security Deposit exceeds 0.1% but less than 5%, the payment of the Security Deposit is subject to the reporting and announcement requirements, but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

With respect to (ii) above, as the highest applicable percentage ratio in respect of the relevant proposed annual caps for the Covered Area Supply Transactions contemplated under the Collaboration Agreements, on an aggregated basis with the Transitional Transactions, is more than 0.1% but less than 5%, the Covered Area Supply Transactions contemplated under the Collaboration Agreements are subject to the reporting, announcement and annual review requirements, but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

With respect to (iii) above, as the highest applicable percentage ratio in respect of the relevant proposed annual caps for the Uncovered Area Commercialisation Services contemplated under the Collaboration Agreements payable by Avanc Pharma to the Company under the Cooperation Agreements, whether on a standalone basis or on an aggregated basis with the Transitional Transactions, is less than 0.1%, the Uncovered Area Commercialisation Services contemplated under the Collaboration Agreements are exempt from the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

G. INTERNAL CONTROL PROCEDURES

The Group has formulated internal control measures and procedures to manage the continuing connected transactions and annual caps under the Collaboration Agreements, the details of which are set out as follows:

(i) the relevant business department of the Company will conduct regular checks to review and assess that the transactions under the Collaboration Agreements are conducted in accordance with the terms of the agreement;

(ii) the Group has approved internal guidelines that additional reports and approvals are required for transactions exceeding the proposed annual caps to ensure that the Company will comply with the applicable requirements under Chapter 14A of the Listing Rules;

(iii) the Finance Department reports actual transaction amounts to the relevant business department and Board Secretary Office on a monthly basis. If the actual transaction amounts under the Collaboration Agreements are expected to exceed the annual caps, the relevant business department will liaise with the Finance Department and Board Secretary Office to initiate an approval application process in order to comply with all applicable requirements under the Group's internal control policy as well as under the Listing Rules; and

(iv) the independent non-executive Directors and auditors of the Company will conduct annual review on the actual execution of the transactions contemplated under the Collaboration Agreements and provide annual confirmations in accordance with the Listing Rules.

H. DIRECTORS' CONFIRMATION

The Directors (including the independent non-executive Directors) are of the view that the terms of the Collaboration Agreements are fair and reasonable, and that the transactions contemplated thereunder are in the ordinary and usual course of business of the Company, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, as each of Mr. Wenjie Zhang, Mr. Qiyu Chen, Mr. Yuqing Chen, Ms. Xiaohui Guan, Dr. Yi Liu and Dr. Xingli Wang holds various positions with Fosun International and/or its subsidiaries, each of them has abstained from voting on the Board resolutions approving the Collaboration Agreements and the transactions contemplated thereunder.

Save for the above, to the best knowledge, information and belief of the Directors after having made all reasonable enquiries, no other Director has a material interest in the Collaboration Agreements, and no other Director has abstained from voting on the relevant Board resolutions approving the Collaboration Agreements and the transactions contemplated thereunder.

I. INFORMATION ABOUT THE PARTIES

(a) Avanc Pharma

Avanc Pharma is a company incorporated in the PRC with limited liability and a subsidiary of Fosun Pharma, which focuses on R&D, innovation, production and operation of drugs. Avanc Pharma has more than 30 product candidates, including innovative drugs, improved new drugs, and generic drugs with high-tech barrier, and has built an intelligent and intensive pharmaceutical industry base.

(b) The Company

The Company is a leading biopharmaceutical company in the PRC with the vision to offer high-quality, affordable and innovative drugs for patients worldwide. The H shares of the Company have been listed on the Main Board of the Stock Exchange since September 2019.

J. DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings:

"Avanc Pharma"	Jinzhou Avanc Pharmaceutical Company Limited* (錦州奧鴻藥業有限責任公司), a limited liability company established in the PRC and a subsidiary of Fosun Pharma
"Board"	the board of Directors
"Collaboration Agreements"	(i) the collaboration agreement for fovinaciclib citrate (FCN-437c) project entered into between the Company and Avanc Pharma on 3 December 2025, and (ii) the supplemental agreement to the collaboration agreement for fovinaciclib citrate (FCN-437c) project entered into between the Company and Avanc Pharma on 3 December 2025

"Company"	Shanghai Henlius Biotech, Inc., a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed and traded on the Main Board of the Stock Exchange
"connected person"	has the meaning ascribed to it under the Listing Rules
"Covered Area(s)"	hospital channels, other healthcare institution channels and pharmacy channels in provinces where Avanc Pharma is permitted to sell the Licensed Product through the Company and its designated subsidiaries (with qualifications to engage in pharmaceutical business) under relevant local policies
"Covered Area Supply Transactions"	the supply of Licensed Product in the Covered Areas by Avanc Pharma to the Group
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Directors"	the directors of the Company
"Effective Date"	3 December 2025, the date on which Avanc Pharma and the Company entered into the Collaboration Agreements
"Field"	treatment of all tumour diseases
"Fosun International"	Fosun International Limited (復星國際有限公司), a company incorporated in Hong Kong on 24 December 2004 with limited liability, the shares of which are listed on the Main Board of the Stock Exchange, and a controlling shareholder of the Company and Fosun Pharma
"Fosun Pharma"	Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* (上海復星醫藥(集團)股份有限公司), a joint stock company established in the PRC, the H shares and A shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 02196) and the Shanghai Stock Exchange (stock code: 600196), respectively
"Fosun Pharma Group"	Fosun Pharma and its subsidiaries
"Group"	the Company and its subsidiaries
"Licensed Product"	hard capsule with fovinaciclib citrate molecules, a CDK4/6 inhibitor, as the active ingredients in 25 mg/capsule and 100 mg/capsule
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, as amended from time to time

"Memorandum of Cooperation"	the memorandum of cooperation entered into between the Company and Avanc Pharma on 7 August 2025
"NMPA"	National Medical Products Administration of the PRC
"RMB"	Renminbi, the lawful currency of the PRC
"PRC"	the People's Republic of China, and for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan regions of China
"Security Deposit"	the security deposit payable by the Company to Avanc Pharma under the Collaboration Agreements
"SKU"	the minimum stock keeping unit(s) of the Licensed Product, i.e. the hard capsule of the Licensed Product in 100 mg/capsule, unless otherwise agreed in the Collaboration Agreements
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supply Unit Price"	the supply unit price (by SKU) payable by the Company to Avanc Pharma under the Collaboration Agreements
"Supply Price Payments"	the amount of payment calculated by multiplying the Supply Unit Price by the quantity of the Licensed Products purchased
"Terminal Price"	the final purchase price of the Licensed Product in the drug circulation process, that is, the purchase price of the Licensed Product upon declaration and review through the provincial drug centralised procurement platform after obtaining the market authorisation
"Territory"	Mainland China (excluding Hong Kong, Macao and Taiwan regions of China)
"Transition Period"	the transition period from 7 August 2025 to 3 December 2025
"Transitional Transactions"	the transactions as contemplated under the Memorandum of Cooperation, namely the grant of exclusive rights from Avanc Pharma to the Group to commercialise the Licensed Product within the PRC and the supply of the Licensed Product by Avanc Pharma to the Group during the Transition Period

"Uncovered Area(s)"	hospital channels, other healthcare institution channels and pharmacy channels in provinces where Avanc Pharma is prohibited from selling the Licensed Product through the Company and its designated subsidiaries (with qualifications to engage in pharmaceutical business) under relevant local policies
"Uncovered Area Commercialisation Services"	the services related to the commercialisation of the Licensed Product provided by the Group to Avanc Pharma in the Uncovered Area(s)
"VAT"	value-added tax
"%"	per cent.

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

Hong Kong, 3 December 2025

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Wenjie Zhang as the chairman and non-executive director, Dr. Jun Zhu as the executive director, Mr. Qiyu Chen, Mr. Yuqing Chen, Ms. Xiaohui Guan, Dr. Yi Liu and Dr. Xingli Wang as the non-executive directors, and Mr. Tak Young So, Dr. Lik Yuen Chan, Dr. Ruilin Song and Mr. Yihao Zhang as the independent non-executive Directors.