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)

VOLUNTARY ANNOUNCEMENT
EXCLUSIVE LICENSE AGREEMENT WITH MABXIENCE FOR HLX02

A. INTRODUCTION

The board of directors of Shanghai Henlius Biotech, Inc. (the "**Company**") is pleased to announce that the Company has entered into an exclusive license agreement (the "**Exclusive License Agreement**") with Mabxience Research, S.L. ("**Mabxience**") on 31 March 2020, pursuant to which the Company agreed to grant an exclusive license to Mabxience to develop and commercialise products containing HLX02 (the "**Licensed Products**") in therapeutic use in oncology (the "**Field**") in Argentina, Uruguay and Paraguay (the "**Territory**"). Following the execution of the Exclusive License Agreement, the Parties intend to further strengthen the business relationship and explore other collaboration opportunities in due course.

B. PRINCIPAL TERMS OF THE EXCLUSIVE LICENSE AGREEMENT

Pursuant to the Exclusive License Agreement:

(i) the Company will grant to Mabxience a sub-licensable exclusive license under licensed patents and licensed know-how to (a) use and reference the dossier, the licensed know-how, licensed patents, and the intellectual property rights relating to the product for the purpose of filing marketing authorisation applications and obtaining and maintaining marketing approvals for the Licensed Products in the Field within the Territory, and (b) commercialize the Licensed Products under one or more of Mabxience's trademark(s), in the Field within the Territory; and

(ii) the Company will receive an initial signing payment of US$250,000 and could receive up to an additional US$500,000 subsequent milestone payments upon submission of the Argentinean filled and finished product to National Administration of Drugs, Food and Medical Devices of Argentina and first commercial sale in Argentina of the Licensed Products.

The Exclusive License Agreement will be terminated on the day of the tenth anniversary from the first launch of any of the Licensed Products in the Territory after its effective date, and may be automatically renewed for an additional term of ten years, unless any party notifies the other party with two years' prior notice of its intention not to renew the Exclusive License Agreement.

C. INFORMATION ABOUT HLX02

HLX02 is a monoclonal antibody biosimilar drug developed by the Company independently. It is mainly used for the treatment of human epidermal growth factor receptor 2 ("**HER2**") positive early breast cancer, HER2-positive metastatic breast cancer and HER2-positive metastatic gastric cancer. In April 2019, the new drug application for HLX02 was accepted by the National Medical Products Administration for the indications listed above, and was included in the priority review process by the National Medical Products Administration in July 2019. In June 2019, the marketing authorization application for HLX02, which was jointly promoted by the Company and its business partner Accord Healthcare Limited ("**Accord**"), was officially accepted by the European Medicines Agency. On 31 October 2019, the Phase 3 clinical trial study with trastuzumab HLX02 for injection met the primary endpoints.

As of the date of this announcement, the Company has entered into license and commercialization agreements with various partners (including Accord, Jacobson Medical (Hong Kong) Limited and Cipla Limited) to successfully commercialize HLX02 outside mainland China in over 70 jurisdictions and regions including Hong Kong (China), Macau (China), Malaysia, Australia, New Zealand, Colombia, Europe, Middle East – North Africa and the Commonwealth of the Independent States.

D. INFORMATION ABOUT MABXIENCE

Mabxience, part of Insud Pharma, is a global biotechnology company with ten years' experience in the research, development, manufacturing and marketing of biosimilar monoclonal antibodies. Mabxience strives to provide quality treatments to more patients that require high-cost medications, contributing to the sustainability of healthcare systems. Mabxience has three facilities for development and production, one in Spain and two in Argentina. In December 2014, Mabxience launched its first biosimilar, rituximab, which is now approved and distributed in various markets globally. Its second product, bevacizumab, was launched in its first market in November 2016.

WARNING STATEMENT REQUIRED BY RULE 18A.05 OF THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED: We may not be able to develop and ultimately commercialise HLX02 successfully. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Shanghai Henlius Biotech, Inc.
Qiyu CHEN
Chairman

Hong Kong, 31 March 2020

As at the date of this announcement, the board of directors of the Company comprises Dr. Scott Shi-Kau Liu as the executive director, Mr. Qiyu Chen as the chairman and non-executive director, 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.