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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)**

**(1) PROPOSED A SHARE OFFERING AND LISTING  
(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
AND  
(3) OTHER RESOLUTIONS**

**PROPOSED A SHARE OFFERING AND LISTING**

As set out in the Prospectus, as a leading biopharmaceutical company in China, the Company constantly evaluates whether there might be opportunities to further the Company's strategy to develop its business and one option in that regard includes the possibility of seeking an additional listing on the SSE STAR Market.

The Board of Directors is pleased to announce that, following the successful listing of the Company's H Shares on the Hong Kong Stock Exchange in September 2019, the Company has proposed to make an application to the relevant regulatory authorities in the PRC for the allotment and issue of A Shares and an application to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A Shares on the Science and Technology Innovation Board of Shanghai Stock Exchange (SSE STAR Market).

The A Share Offering and Listing will be subject to, among other things, the approval by the Shareholders by way of special resolutions at the General Meeting and the Class Meetings, the approval by the board meeting and general meeting of Fosun Pharma as well as the approvals by the CSRC and the Shanghai Stock Exchange.

## **PROPOSED AMENDMENTS TO THE ARTICLES**

The Board of Directors further announces that for the purpose of reflecting certain PRC regulatory updates in the Articles and in connection with the A Share Offering and Listing, the Board of Directors has considered and approved the proposed amendments to the Articles.

The proposed amendments to the Articles will be subject to the approval by the Shareholders by way of special resolution at the General Meeting. If approved, the revised Articles relating to the PRC regulatory updates will take effect immediately upon the approval by the General Meeting while the revised Articles relating to the A Share Offering and Listing will take effect upon completion of the A Share Offering and Listing, subject to the relevant details to be set out in the circular to be despatched.

## **OTHER RESOLUTIONS RELATING TO THE A SHARE OFFERING AND LISTING**

Other relevant resolutions in connection with the A Share Offering and Listing were also passed at the respective meetings of the Board of Directors and/or the Board of Supervisors. The main contents of these resolutions are set out in the paragraph headed “Other resolutions relating to the A Share Offering and Listing” below.

### **I. PROPOSED A SHARE OFFERING AND LISTING**

The Board of Directors is pleased to announce that at the Board Meeting held on 30 March 2020, the Company has proposed to make an application to the relevant regulatory authorities in the PRC for the allotment and issue of A Shares and an application to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A Shares on the SSE STAR Market.

The A Share Offering and Listing will be subject to, among other things, the approval by the Shareholders by way of special resolutions at the General Meeting and the Class Meetings, the approval by the board meeting and general meeting of Fosun Pharma as well as the approvals by the CSRC and the Shanghai Stock Exchange.

#### **Details of the A Share Offering and Listing**

##### ***1. The public offering of Shares fulfilling requirements***

The Company has fulfilled the requirements under relevant PRC laws, regulations and regulatory documents in respect of the A Share Offering and Listing on the SSE STAR Market.

##### ***2. Class of Shares***

The class of shares proposed under the A Share Offering and Listing is RMB ordinary shares (A Shares) to be listed on the SSE STAR Market.

##### ***3. Nominal value***

The nominal value of the A Shares to be listed is RMB1.00 per A Share.

#### **4. *Offering size***

The Company has proposed to issue A Shares representing not less than 10% of the total share capital of the Company upon completion of the A Share Offering and Listing and not more than 20% of the total share capital upon completion of the A Share Offering and Listing. The final number of A Shares to be issued will be subject to the number of A Shares to be registered with the CSRC.

The Company may grant the lead underwriter of the A Share Offering an over-allotment option pursuant to which the Company may be required to issue additional A Shares representing not more than 15% of the initial size of the A Share Offering.

The A Share Offering will only involve the issue of new A Shares by the Company, and will not involve any offering of Shares by the existing Shareholders.

#### **5. *Target subscribers***

The target subscribers of the A Shares will be qualified participants in the price consultation process, strategic investors and other qualified investors, which are in compliance with the relevant PRC laws and regulations and the conditions stipulated by the regulatory authorities. If the securities regulatory authorities such as the CSRC and the Shanghai Stock Exchange have other requirements, such requirements shall be followed.

#### **6. *Offer price and pricing methodology***

In determining the offer price of the A Shares to be offered pursuant to the A Share Offering, full consideration will be given to the interests of the existing Shareholders as a whole, the principle of marketization, and the status of China's securities market at the time of the A Share Offering. The offer price will be determined through price consultation with qualified investors in compliance with the relevant PRC laws and regulations by the Company and the lead underwriter or through any other methods approved by the CSRC or the Shanghai Stock Exchange.

As at 27 March 2020 (being the trading date prior to the date of this announcement), the closing price of the Company's H Share as quoted on the Hong Kong Stock Exchange is HK\$36.25 per H Share.

#### **7. *Method of offering***

The A Share Offering will be conducted through a combination of placings to strategic investors, placings offline to participants of the price consultation process, and offering to qualified investors by way of online subscription at a fixed price, or through any other methods of offering which are approved by the CSRC or the Shanghai Stock Exchange.

#### **8. *Place of listing***

The A Shares are proposed to be listed on the SSE STAR Market.

## **9. Time of listing**

The Company will choose an appropriate timing for the A Share Offering and Listing upon the approval by the Shanghai Stock Exchange and the registration with CSRC. The specific date of A Share Offering and Listing shall be determined by the Board of Directors or its authorized persons as authorized by the General Meeting upon the approval by the Shanghai Stock Exchange and the registration with CSRC.

## **10. Engagement of professional agents**

The Company has proposed to engage professional agents, including the underwriting sponsor, legal adviser and auditor for the proposed A Share Offering and Listing, including but not limited to China International Capital Corporation Limited, CM Law Firm and Ernst & Young Hua Ming CPAs (special general partnership).

## **11. Validity of the resolution**

This resolution will be valid for a term of 12 months from the date it is considered and approved at the General Meeting and Class Meetings. If the Company has obtained regulatory approval, licensing, filing, registration or recordation within the validity period of this resolution (if applicable) to complete the A Share Offering and Listing within the validity period of such approval, licensing, filing, registration or recordation, the resolution related to the A Share Offering and Listing will be valid until the date of completion of the A Share Offering and Listing.

# **II. PROPOSED AMENDMENTS TO THE ARTICLES**

## **Proposed Amendments relating to PRC Regulatory Updates**

On 17 October 2019, the State Council of the People's Republic of China issued the Approval by the State Council on Matters including Adjustments to Notice Period for Convening the General Meeting Applicable to Companies Listed Overseas (Circular of the State Council [2019] No. 97) (《關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》(國函[2019]97號)), joint stock companies registered in the PRC and listed overseas shall follow relevant requirements as set out in the Company Law of the PRC in respect of the notice period for convening the general meeting, the rights of shareholders to propose resolutions and the convening procedures, rather than the requirements as set out in Articles 20 to 22 of the Special Regulations of the State Council on the Overseas Offer and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》).

In order to reflect the PRC regulatory updates as set out above, the Board of Directors resolved to amend the existing Articles.

## **Proposed Amendments relating to the A Share Offering and Listing**

In order to prepare for the listing of the A Shares on the SSE STAR Market and comply with the relevant CSRC and Shanghai Stock Exchange rules, to further improve and regulate the Articles and satisfy the relevant PRC laws, regulations and regulatory documents, including the Company Law of the PRC (《中華人民共和國公司法》), the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) and the Rules Governing the Listing of Securities on the Science and Technology Innovation Board of the Shanghai Stock Exchange (《上海證券交易所科創板股票上市規則》), and taking the practical circumstances of the Company into consideration, the Board of Directors resolved to further amend the existing Articles.

The proposed amendments to the Articles will be subject to the approval by the Shareholders by way of special resolution at the General Meeting.

If approved, the revised Articles relating to the PRC regulatory updates will take effect upon the approval by the General Meeting while the revised Articles relating to the A Share Offering and Listing will take effect upon completion of the A Share Offering and Listing, subject to the relevant details to be set out in the circular to be despatched.

### **III. OTHER RESOLUTIONS RELATING TO THE A SHARE OFFERING AND LISTING**

Other relevant resolutions in connection with the A Share Offering and Listing were also passed at respective meetings of the Board of Directors and/or the Board of Supervisors.

The following summarizes the main contents of the relevant resolutions:

**(i) The resolution on authorizing the Board of Directors to deal with the relevant matters in connection with the A Share Offering and Listing**

In order to ensure the smooth progress of the relevant matters relating to the A Share Offering and Listing, a proposal will be submitted to the Shareholders at the General Meeting and Class Meetings to authorize the Board of Directors to deal with the relevant matters in connection with the A Share Offering and Listing.

The authorization proposed to be granted to the Board of Directors shall include, without limitation, the following:

1. Implementing the specific proposals for the A Share Offering and Listing in accordance with the relevant PRC laws, regulations and regulatory documents and the resolutions of the General Meeting and Class Meetings.
2. Handling the reporting matters related to the A Share Offering and Listing, including, but not limited to, dealing with the relevant government agencies, regulatory agencies, the Shanghai Stock Exchange, securities registration and settlement agencies for the approval, registration, filing, permit, registration and consents, and to pass, sign, execute, modify, and complete all agreements, contracts and other relevant legal documents related to the A Share Offering and Listing.
3. Dealing with all matters related to the A Share Offering and Listing with full discretion, including, but not limited to, specific matters such as timing of the offering, the specific number of shares to be issued, method of offering, target subscribers, pricing methodology, offer price, placing method, over-allotment placement and strategic placement, in accordance with the relevant requirements and policies of regulatory authorities, and the securities market conditions and within the scope of the resolutions of the General Meeting and Class Meetings.
4. (a) Drafting and/or amending the Articles (draft), rules of procedures and other internal management policies in connection with the A Share Offering during the A Share Offering and Listing in accordance with the requirements and suggestions of the government agencies and regulatory authorities; and (b) amending and approving the Articles (draft), rules of procedures and other internal management policies in accordance with the result of the A Share Offering, and dealing with the relevant procedures for the approval, registration and/or filing (if necessary) of such changes with the relevant authorities including the competent authority of commerce and the competent administration for industry and commerce.

5. For Articles (draft), rules of procedures and other internal management policies which have been considered and approved by the General Meeting and Class Meetings and effective from the date of the A Share Offering and Listing, if CSRC, the Shanghai Stock Exchange and other regulatory authorities have put forward suggestions or advice, or when there is a conflict between such policies and the regulatory documents issued by the CSRC, the Shanghai Stock Exchange and other regulatory authorities, making appropriate amendments to the aforesaid Articles (draft), rules of procedures and other internal management policies in combination with those suggestions or advice.
6. Adjusting the plans for the A Share Offering and Listing, including, but not limited to, specific matters such as timing of the offering, the specific number of shares to be issued, method of offering, target subscribers, pricing methodology, offer price, placing method, over-allotment placement and strategic placement, in accordance with the implementation plan for the A Share Offering and Listing, the market conditions, the policy change and the advice by the regulatory departments, the sponsor and the underwriters.
7. Within the scope of the resolutions passed by the Shareholders at the General Meeting and Class Meetings, making the necessary and appropriate adjustments to the relevant matters in the implementation process of the investment projects funded by the proceeds raised, including, but not limited to, the adjustment of the specific projects in which the raised funds are invested and the amount of funds required for these projects; the organisation and implementation of project construction with self-owned or self-raised funds according to the actual progress of the project before the proceeds of the A Share Offering and Listing are in place; and the replacement of the self-owned funds and bank borrowings previously invested in the projects after the proceeds of the A Share Offering and Listing are in place. According to the actual situation and the opinions of the relevant government authorities and the underwriting sponsor, making adjustments to the relevant matters in the implementation process of the projects, including, but not limited to, the adjustment on matters including the amount of proceeds to be used for each project, the implementation entity, the implementation progress and the implementation methods within the scope of the confirmed investment projects funded by the proceeds raised; the confirmation of the deposit account for the proceeds raised; the signing of a tripartite supervision agreement for the proceeds raised; the implementation of the use of proceeds after completion of the A Share Offering and Listing; and the signing of material contracts involved in the implementation process of the investment projects funded by the proceeds raised.
8. After completion of the A Share Offering and Listing, handling the matters of, including but not limited to registration and filing of such changes with the competent authority of commerce and the competent administration for industry and commerce.
9. After completion of the A Share Offering and Listing, handling the matters of registration and settlement of shareholdings at the China Securities Depository and Clearing Co., Ltd., including, but not limited, to the depository, registration, circulation and lock-up of the shares.
10. Publishing, among other things, the prospectus and its summary and listing announcement in designated newspapers and on websites in accordance with the requirements of the CSRC, the Shanghai Stock Exchange and the relevant securities regulatory authorities, and making an application for listing to the designated stock exchange and providing complete information of the application.
11. Engaging agents, including the underwriting sponsor, legal adviser and auditor for the A Share Offering and Listing, determining the service fees for the intermediaries through consultation, and signing of engagement agreements.

12. In case of occurrence of force majeure events or other circumstances where implementation of the A Share Offering and Listing would become difficult, or although implementation would be possible, it would bring material adverse impact on the Company, making decisions to suspend or terminate A Share Offering and Listing at discretion.
13. For the purpose of A Share Offering and Listing, communicating with the relevant regulatory institutions or organizations, such as the CSRC, the Shanghai Stock Exchange and other regulatory departments, on behalf of the Company.
14. To the extent permitted by the relevant laws, regulations and regulatory documents, handling other matters which are considered to be necessary, desirable and appropriate for A Share Offering and Listing.

The above authorization, if approved, shall be valid for a period of 12 months from the date of approval at the General Meeting and the Class Meetings. If the Company has obtained regulatory approval, licensing, filing, registration or recordation within the validity period of the above authorization (if applicable) to complete the A Share Offering and Listing within the validity period of such approval, licensing, filing, registration or recordation, the above authorization related to the A Share Offering and Listing will be valid until the date of completion of the A Share Offering and Listing.

Subject to the approvals at the General Meeting and the Class Meetings, and the requirements under the relevant laws, regulations, regulatory documents and the Articles, the Board of Directors proposed that the above authorization be delegated to the chairman of the Board of Directors and any person authorized by the chairman.

**(ii) The resolution on the plan for use of the proceeds raised from the A Share Offering**

The proceeds raised by the Company from the A Share Offering will be used for the following projects after deducting the offering expenses:

<b>No.</b>	<b>Project Name</b>	<b>Proposed investment amount from proceeds raised (RMB' 000)</b>
1.	Biosimilar drugs and innovative drugs R&D project	2,400,000
2.	Biotech industrialization site project	700,000
3.	Replenishment of working capital	900,000
		<hr/>
	<b>Total</b>	<b>4,000,000</b>
		<hr/> <hr/>

Within the scope of the above investment projects to be funded by proceeds raised, the Company may, according to the actual needs of the project, make appropriate adjustments to the sequence and amount of the proceeds to be invested in the above projects. Before the proceeds raised from the A Share Offering have been received by the Company, the Company may make an initial investment with its self-owned or self-raised funds according to the needs of the projects, and after the proceeds raised have been received by the Company, the Company can replace the initial investment funds according to the requirements and procedures of the relevant laws, regulations and regulatory documents.

If the proceeds raised from the A Share Offering exceeds the capital requirements of the projects, the surplus amount will be used to supplement the working capital relating to the Company's principal business. If the net proceeds actually raised (after deducting the offering expenses) are less than the total amount of proceeds to be invested, the shortfall amount shall be settled by the Company with self-raised funds.

**(iii) The resolution on the accumulated profit distribution and the plan for undertaking unrecovered losses prior to the A Share Offering**

The proposal for accumulated profit distribution and the plan for undertaking unrecovered losses in A Share Offering and Listing are as follow:

As of the date of this announcement, the Company has no undistributed accumulated profit. If the Company has undistributed accumulated profit before the A Share Offering and Listing, it is proposed that the new and existing Shareholders shall share in proportion to their respective shareholding after the completion of the A Share Offering and Listing. If the Company has unrecovered losses prior to the A Share Offering and Listing, it is proposed that the new and existing Shareholders of the Company after the A Share Offering shall bear the losses according to the proportion of their shareholdings after the completion of A Share Offering and Listing.

**(iv) The resolution on reviewing the Company's three-year dividend distribution plan for Shareholders after Listing**

The Company has formulated the "Three-Year Dividend Distribution Plan for Shareholders after the Initial Public Offering and Listing of the RMB ordinary shares (A Shares) of Shanghai Henlius Biotech, Inc.

**(v) The resolution on the Share price stabilization plan within three years after the Company's A Share Offering and Listing on the SSE STAR Market**

The Company has formulated the "Share Price Stabilization Plan within Three Years after the Initial Public Offering and Listing of the RMB ordinary shares (A Shares) of Shanghai Henlius Biotech, Inc.

**(vi) The resolution on the public undertakings made by the Company in respect of relevant matters relating to the A Share Offering and Listing on the SSE STAR Market**

The Company will issue the relevant letter of undertakings in respect of matters relating to the Company's application for A Share Offering and Listing on the SSE STAR Market and the proposed restraining measures for the failure to comply with such public undertakings.



**(vii) The resolution on the impact of dilution of immediate return by the Company's A Share Offering and adoption of recovery measures**

In order to protect the interests of minority Shareholders, the Company has conducted sufficient analysis on the impact of dilution of immediate return resulting from the A Share Offering and has proposed specific measures for the recovery of return and the related entities have given corresponding undertakings to ensure the practical implementation of the Company's measures for recovery of return.

**(viii) The resolutions on amending the First Batch Internal Management Policies of the Company**

The Company intends to revise the "Rules of Procedures for the General Meeting", the "Rules of Procedures for the Board of Directors", the "Rules of Independent Non-Executive Directors", the "Rules of Procedures for the Board of Supervisors", the "Management Rules for the Raised Funds", the "Decision-making Rules for the Connected/Related Transaction", the "Management Rules for the External Guarantee" and the "Management Rules for the Transaction and External Investments and Financing" (the "**First Batch Internal Management Policies**"). The revised First Batch Internal Management Policies will come into effect on the date of completion of the A Share Offering and Listing. Until then, the current First Batch Internal Management Policies will continue to apply.

The Board of Directors and/or the Board of Supervisors agreed to propose to Shareholders at the General Meeting to authorize the Board of Directors and its authorized persons to adjust and amend the First Batch Internal Management Policies which will become effective from the date of completion of the A Share Offering and Listing in accordance with the provisions of the relevant laws, regulations and regulatory documents, and the requirements and suggestions from the relevant domestic and overseas government authorities and regulatory institutions, and taking into consideration the actual situation of the A Share Offering and Listing.

The amendments to the "Rules of Procedures for the General Meeting", the "Rules of Procedures for the Board of Directors" and "the Rules of Procedures for the Board of Supervisors" are subject to the approval by Shareholders by special resolution at the General Meeting. The amendments to the "Rules of Independent Non-Executive Directors", "Management Rules for the Raised Funds", "Decision-making Rules for the Connected/Related Transaction", the "Management Rules for the External Guarantee" and the "Management Rules for the Transaction and External Investments and Financing" are subject to the approval by Shareholders by ordinary resolution at the General Meeting.

**(ix) The resolution on the special report on the use of proceeds raised in previous offering**

The Company has prepared the “Special Report on the Use of Proceeds Raised in Previous Offering by Shanghai Henlius Biotech, Inc.”, based on the requirements of the Rules for Report on the Use of Proceeds Raised in Previous Offering (Zheng Jian Fa Xing Zi [2007] No. 500) published by the CSRC.

**(x) The resolutions on amending the Second Batch Internal Management Policies of the Company**

The Board of Directors resolved to amend the “Rules for Preventing Insider Dealing and Conflict of Interest Transactions of Shanghai Henlius Biotech, Inc.”, the “Management Rules for Information Disclosure of Shanghai Henlius Biotech, Inc.” and the “Rules of the Secretary to the Board of Directors of Shanghai Henlius Biotech, Inc.” (the “**Second Batch Internal Management Policies**”). The amended Second Batch Internal Management Policies will come into effect on the date of completion of the A Share Offering and Listing. Until then, the current Second Batch Internal Management Policies will continue to apply.

**(xi) The resolutions on establishment of internal management policies**

The Board of Directors resolved to establish the “Rules of Procedures of the Audit Committee of Shanghai Henlius Biotech, Inc.”, the “Rules of Procedures of the Remuneration Committee of Shanghai Henlius Biotech, Inc.”, the “Rules of Procedures of the Nomination Committee of Shanghai Henlius Biotech, Inc.”, the “Rules of Procedures of the Strategic Committee of Shanghai Henlius Biotech, Inc.” the “Rules of the General Manager of Shanghai Henlius Biotech, Inc.”, the “Internal Control Policies of Shanghai Henlius Biotech, Inc.”, the “Management Policies on Postponement of and Exemption from Information Disclosure of Shanghai Henlius Biotech, Inc.”, the “Accountability Policies on Major Errors in the Information Disclosure of Annual Reports of Shanghai Henlius Biotech, Inc.” and the “Management Rules of Investor Relationship of Shanghai Henlius Biotech, Inc.”. Among which, the “Rules of Procedures of the Audit Committee of Shanghai Henlius Biotech, Inc.”, the “Rules of Procedures of the Remuneration Committee of Shanghai Henlius Biotech, Inc.”, the “Rules of Procedures of the Nomination Committee of Shanghai Henlius Biotech, Inc.”, the “Rules of Procedures of the Strategic Committee of Shanghai Henlius Biotech, Inc.” the “Rules of the General Manager of Shanghai Henlius Biotech, Inc.”, the “Internal Control Policies of Shanghai Henlius Biotech, Inc.” and the “Management Policies on Postponement of and Exemption from Information Disclosure of Shanghai Henlius Biotech, Inc.” will come into effect immediately except for the parts within these policies relating to the A Share Offering and Listing, which will become effective on the date of completion of the A Share Offering and Listing. The “Accountability Policies on Major Errors in the Information Disclosure of Annual Reports of Shanghai Henlius Biotech, Inc.” and the “Management Rules of Investor Relationship of Shanghai Henlius Biotech, Inc.” will come into effect on the date of completion of the A Share Offering and Listing.

The resolutions in paragraphs (i) to (vii) above shall be submitted to the General Meeting and the Class Meetings, respectively, for consideration and approval. The resolutions in paragraphs (viii) and (ix) above shall be submitted to the General Meeting for consideration and approval.

#### IV. REASONS FOR THE A SHARE OFFERING AND LISTING

The Directors consider that the A Share Offering and Listing will further optimize the Company's corporate governance structure and improve the liquidity of Shares held by the Shareholders; at the same time, it will further expand the Company's financing channels, promote the development of the Company's principal businesses such as biopharmaceutical research and development and industrialization and improve the competitiveness of the Company, thereby achieving sustainable and stable development.

The Directors consider that the A Share Offering and Listing meets the interests of the Company and all the Shareholders.

#### V. FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

On 25 September 2019, the Company issued 64,695,400 H Shares at HK\$49.6 per H Share in connection with the global offering (the "Global Offering") and issuance of the H Shares on the Hong Kong Stock Exchange. The total proceeds amounted to approximately HK\$3,209 million by way of initial public offering of the Company on the Hong Kong Stock Exchange.

On 22 October 2019, the over-allotment option granted in connection with the Global Offering was partially exercised and the Company issued an aggregate of 4,366,400 H Shares at HK\$49.6 per H Share. The total proceeds amounted to approximately HK\$216.6 million.

After deduction of listing expenses, the total net proceeds from the Global Offering (including the net proceeds from the partial exercise of the over-allotment option) was approximately HK\$3,147 million. As at the date of this announcement, the proceeds have been used and will continue to be used in accordance with those set out in the Prospectus. Details of the use of proceeds are set out below:

Ref No.	Intended use of proceeds as set out in the Prospectus	Intended amount to be used as set out in the Prospectus (HK\$'000)	Intended amount to be used after the Global Offering (HK\$'000)	Intended amount to be used after the Global Offering (RMB'000)	Amounts utilized as of 31 December 2019 (RMB'000)	Amounts not yet utilized as of 31 December 2019 (RMB'000)
1	The ongoing clinical trials, regulatory filing and registration for HLX02	185,800	188,820	168,050	135,692	32,358
2	The ongoing clinical trials, regulatory filing and registration for HLX04 for the mCRC indication	247,700	251,760	224,066	98,066	126,000
3	The development of immuno-oncology combination therapy comprised of HLX04 and HLX10 for the treatment of advanced solid tumours	805,000	818,220	728,215	28,591	699,624
4	The ongoing clinical trials, regulatory filing and registration for other biosimilar candidates, including HLX12, HLX11 and HLX14	464,500	472,050	420,125	158,720	261,405
5	The ongoing clinical trials, regulatory filing and registration for HLX06	6,200	6,294	5,602	0	5,602

Ref No.	Intended use of proceeds as set out in the Prospectus	Intended amount to be used as set out in the Prospectus (HK\$'000)	Intended amount to be used after the Global Offering (HK\$'000)	Intended amount to be used after the Global Offering (RMB'000)	Amounts utilized as of 31 December 2019 (RMB'000)	Amounts not yet utilized as of 31 December 2019 (RMB'000)
6	The ongoing clinical trials, regulatory filing and registration for HLX07	133,100	135,321	120,436	26,899	93,537
7	The ongoing clinical trials, regulatory filing and registration for HLX20	6,200	6,294	5,602	791	4,811
8	The ongoing clinical trials, regulatory filing and registration for HLX10 and immunology combination therapies involving HLX10 (including HLX10+HLX07).	938,200	953,541	848,651	293,190	555,461
9	Working capital and general corporate purposes	309,600	314,700	280,083	85,187	194,896
	<b>Total</b>	<b>3,096,300</b>	<b>3,147,000</b>	<b>2,800,830</b>	<b>827,136</b>	<b>1,973,694</b>

Other than fund raising activities as set out above, the Company has not conducted any other fund raising activities involving the issue of equity securities within 12 months immediately prior to the date of this announcement.

**The A Share Offering and Listing may or may not proceed to completion. Shareholders and potential investors are advised to exercise caution in dealing in the H Shares.**

## VI. DEFINITIONS

Unless the context otherwise requires, the following expressions in this announcement have the following meanings:

“A Share(s)”	RMB ordinary share(s) proposed to be issued by the Company pursuant to the A Share Offering
“A Share Offering”	the Company’s proposed initial public offering of A Shares, which are proposed to be listed on the SSE STAR Market
“A Share Offering and Listing”	the Company’s proposed initial public offering of A Shares, and listing of such Shares on the SSE STAR Market
“Articles”	the articles of association of the Company, as amended from time to time
“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 Hong Kong Stock Exchange as of the date of this announcement
“Board of Directors”	the board of Directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“Board Meeting”	the meeting of the Board of Directors held on 30 March 2020 to approve, among other things, the proposed A Share Offering and Listing and other resolutions relating to the A Share Offering and Listing

“Class Meeting(s)”	the class meeting of holders of H Shares and the class meeting of holders of Domestic Shares to be held, the notices of which will be despatched to the Shareholders in due course
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the directors of the Company
“Domestic Share(s)”	ordinary share(s) with nominal value of RMB1.00 each in the issued share capital of the Company which are subscribed for and credited as paid up in RMB
“First Batch Internal Management Policies”	the “Rules of Procedures for the General Meeting”, the “Rules of Procedures for the Board of Directors”, the “Rules of Independent Non-Executive Directors”, the “Rules of Procedures for the Board of Supervisors”, the “Management Rules for the Raised Funds”, the “Decision-making Rules for the Connected/Related Transaction”, the “Management Rules for the External Guarantee” and the “Management Rules for the Transaction and External Investments and Financing”
“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 Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively
“General Meeting”	the general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the A Share Offering and Listing and other resolutions relating to the A Share Offering and Listing
“H Share(s)”	overseas-listed foreign shares in the issued share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time
“Management Rules for the Connected/Related Transactions”	The Management Rules for the Connected/Related Transactions of Shanghai Henlius Biotech, Inc.
“Management Rules for the External Guarantee”	The Management Rules for the External Guarantee of Shanghai Henlius Biotech, Inc.
“Management Rules for the Raised Funds”	The Management Rules for the Raised Funds of Shanghai Henlius Biotech, Inc.
“Management Rules for the Transaction and External Investments and Financing”	The Management Rules for the Transaction and External Investment and Financing of Shanghai Henlius Biotech, Inc.

“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Prospectus”	the prospectus issued by the Company on 12 September 2019 in connection with the listing of the H Shares on the Hong Kong Stock Exchange
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Independent Non-Executive Directors”	The Rules of Independent Non-Executive Directors of Shanghai Henlius Biotech, Inc.
“Rules of Procedures for the Board of Directors”	The Rules of Procedures for the Board of Directors of Shanghai Henlius Biotech, Inc.
“Rules of Procedures for the Board of Supervisors”	The Rules of Procedures for the Board of Supervisors of Shanghai Henlius Biotech, Inc.
“Rules of Procedures for the General Meeting”	The Rules of Procedures for the General Meeting of Shanghai Henlius Biotech, Inc.
“Share(s)”	the Domestic Share(s), the unlisted foreign Share(s) and/or the H Share(s) of the Company
“Second Batch Internal Management Policies”	the “Rules for Preventing Insider Dealing and Conflict of Interest Transactions of Shanghai Henlius Biotech, Inc.”, the “Management Rules for Information Disclosure of Shanghai Henlius Biotech, Inc.” and the “Rules of the Secretary to the Board of Directors of Shanghai Henlius Biotech, Inc.”
“Shareholder(s)”	the shareholder(s) of the Company
“SSE STAR Market”	the Science and Technology Innovation Board of Shanghai Stock Exchange

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

Hong Kong, 30 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.*