SHANGHAI JUNSHI BIOSCIENCES CO., LTD.*
上海君實生物醫藥科技股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 1877)

VOLUNTARY ANNOUNCEMENT – ENTERING INTO OF THE LICENSE AGREEMENT

This announcement is made by Shanghai Junshi Biosciences Co., Ltd.* (上海君實生物醫藥科技股份有限公司) (the "**Company**") on a voluntary basis. Reference is also made to the overseas regulatory announcement of the Company dated 19 November 2024.

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce that, the Company has recently entered into a license agreement (the "**License Agreement**") with the licensor. Pursuant to the License Agreement, the licensor will grant the Company exclusive license and sublicensing rights to develop, make, use, import, export, sell, and otherwise commercialize two dual-targeting fusion proteins in the Greater China (including the Chinese mainland, Hong Kong Special Administrative Region, Macao Special Administrative Region, and Taiwan region). At the same time, the Company and the licensor will jointly own, each owning an undivided one-half, all the rights and interests in developing, making, using, importing, exporting, selling and otherwise commercializing one of the Licensed Products worldwide. The Company shall make the related upfront payment, milestone payment and royalties to the licensor based on the progress of the project, while the licensor may pay the Company the sublicense revenue generated from regions outside the Greater China (the "**Transaction**").

The subject of the Transaction is two dual-targeting fusion proteins, namely Licensed Product 1 and Licensed Product 2 (collectively, the "Licensed Products"), which are mainly for the treatment of malignant tumors. Currently, Licensed Product 1 is in the Phase I clinical trial stage overseas, and the Company has submitted the investigational new drug application for Phase I clinical trial of Licensed Product 1 in China to the National Medical Products Administration, while Licensed Product 2 is in the pre-clinical study stage.

Due to the involvement of commercially sensitive information and commercial secrets, information relating to the counterparty and the subject matter of the Transaction will be kept confidential.

Particulars of the License Agreement are hereby announced as follows:

KEY TERMS OF THE LICENSE AGREEMENT

I Information of the License

1. Licensed Product 1

The licensor will grant the Company exclusive license and sublicensing rights to develop, make, use, import, export, sell, and otherwise commercialize Licensed Product 1 in the Greater China. Meanwhile, the licensor will grant the Company a exclusive right of first refusal of Licensed Product 1 outside the Greater China.

2. Licensed Product 2

The Company and the licensor will jointly own, each owning an undivided one-half, all the rights and interests in developing, making, using, importing, exporting, selling and otherwise commercializing Licensed Product 2 worldwide, provided that the licensor will grant the Company exclusive licenses and sublicensing right to develop, make, use, import, export, sell, and otherwise commercialize Licensed Product 2 in the Greater China.

II Financial Terms

1. Upfront payment

Upon entering into of the License Agreement, the Company will make an upfront payment of US$1.5 million to the licensor.

2. Milestone payments

The Company will pay the licensor milestone payments of no more than RMB740 million in aggregate based on the research and development ("**R&D**") and sales of the Licensed Products.

3. Royalties

The Company will pay the licensor the royalties of single-digit percentage of the annual net sales of one of the Licensed Products in the Greater China based on the sales of such Licensed Product in the Greater China.

4. Sublicense revenue

In the event that the licensor grants rights under the licensor's patent rights, or sublicenses rights obtained from the Company, to a third party to develop, commercialize, make, use, sell, import or export the Licensed Products outside the Greater China, the licensor may pay the Company up to 20% of the sublicense revenue or US$200 million (whichever is lower).

III Term and Termination

The License Agreement shall become effective upon the date of execution by both parties. The License Agreement shall continue until the end of the royalty term of the Licensed Products in the last country, unless earlier terminated by either party in accordance with this Agreement. The royalty term shall commence from the date of the first commercial sale of Licensed Product 1 in a country and end on the last date on which there is a valid claim or ten years from the date of the first commercial sale in such country (whichever is later). Upon the end of the royalty term in any country, all license rights in effect under this Agreement in that country shall become perpetual, irrevocable, fully paid-up and royalty-free.

IV Applicable Laws and Dispute Resolution

The License Agreement shall be governed by the laws of the State of California and the United States of America. Disputes under this License Agreement will be adjudicated in the State of California.

IMPACTS OF SIGNING OF AGREEMENT ON THE COMPANY

The entering into of this License Agreement is in line with the overall development strategy of the Company, and is conducive to diversifying the Company's research and development pipeline, improving the Company's market layout, and providing treatment options for unmet clinical needs in the market. It will have a positive impact on the sustained operations of the Company. This transaction will not have a material impact on the Company's recent production and operation, financial position and operating results. The entering into of this agreement will not result in any change in the Company's principal business or business scope, affect the Company's independence, or cause harm to the interests of the Company and its shareholders.

RISK WARNING

As pharmaceutical product is characterized by high technology, high risk and high added value with a long-life cycle constituted of R&D, clinical development, drug approval and commercial production, the development process involves many stages and is susceptible to uncertainties, thus the successful commercialization of the aforementioned Licensed Products are subject to certain risks. In addition, the milestone payments and sales-based royalties as agreed under the License Agreement are subject to the fulfillment of certain conditions, and the final amount of payment remains uncertain. Investors are reminded to exercise caution in making decisions and be cautious of investment risks. The Company will fulfill its information disclosure obligations in a timely manner in relation to the subsequent progress of the project in accordance with relevant regulations.

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

Shanghai, the PRC, 19 November 2024

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 non-executive Director; and Mr. Zhang Chun, Dr. Feng Xiaoyuan, Dr. Meng Anming and Dr. Yang Yue as independent non-executive Directors.

* *For identification purpose only*