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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)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to Shanghai Junshi Biosciences Co., Ltd.: Announcement on Redemption and Delisting of “18 Junshi Convertible Bonds” dated 26 June 2019 published by Shanghai Junshi Biosciences Co., Ltd. on the websites of the National Equities Exchange and Quotations and the Shanghai Stock Exchange. The following is a translation of the official announcement solely for the purpose of providing information. Should there be any discrepancies, the Chinese version will prevail.

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

Shanghai, the PRC, 26 June 2019

As at the date of this announcement, the board of directors of the Company comprises Mr. Xiong Jun, Dr. Li Ning, Dr. Feng Hui, Mr. Zhang Zhuobing, Dr. Wu Hai and Dr. Yao Sheng as executive Directors; Mr. Tang Yi, Mr. Li Cong, Mr. Yi Qingqing and Mr. Lin Lijun as non-executive Directors; and Dr. Chen Lieping, Dr. He Jia, Mr. Chen Xinjun, Mr. Qian Zhi and Dr. Roy Steven Herbst as independent non-executive Directors.

* *For identification purpose only*

Stock Code: 833330 Stock Abbreviation: Junshi Biosciences Chief Agency Broker: CICC
Bond Code: 145951 Bond Abbreviation: 18 Junshi Convertible Bonds

Shanghai Junshi Biosciences Co., Ltd.

Announcement on Redemption and Delisting of “18 Junshi Convertible Bonds”

The Company and all members of the board of directors warrant that the contents of the announcement is true, accurate and complete and that there is no false or misleading statements or material omission herein, and are severally and jointly responsible for the truthfulness, accuracy and completeness of the contents herein.

Important Notes:

- Number of bonds to be redeemed: 2,000,000.00
- Total amount of principal and interest upon redemption: RMB 228,242,800.00
- Record date for redemption: 5 July 2019
- Distribution date of redemption fund: 8 July 2019
- Delisting date: 8 July 2019

I. Basic Information of “18 Junshi Convertible Bonds”

1. Bond Name: 2018 Non-public Offering of Innovative and Entrepreneurial Convertible Corporate Bonds (Tranche I) by Shanghai Junshi Biosciences Co., Ltd..
2. Bond abbreviation and code: 18 Junshi Convertible Bonds (145951).
3. Issuing scale: The scale of the Bonds is RMB 200 million.
4. Bond type: The type of the Bonds is innovative and entrepreneurial corporate bonds which are convertible into company stocks. The innovative and entrepreneurial convertible corporate bonds under the offering will be listed and transferred on the Shanghai Stock Exchange, and the company stocks converted in the future will be listed and traded on the National Equities Exchange and Quotations.

5. Bond maturity: The bond maturity of the innovative and entrepreneurial convertible corporate bonds under the offering is 6 years from the date of issuance.

6. Coupon rate: The coupon rate of the Bonds is 10.35% and the annual interests of the Bonds is calculated on the basis of simple interest without compound interest.

7. Repayment methods of principal and interests: In the first three interest-bearing years in the duration of the innovative and entrepreneurial convertible corporate bonds under the offering, the interests shall be calculated annually; the interests generated in the first three interest-bearing years shall be combined for payment on the interest payment date in the third interest-bearing year, and the date on which interests begin to accrue shall be the first day of issuance of the innovative and entrepreneurial convertible corporate bonds; thereafter, within the duration of the innovative and entrepreneurial convertible corporate bonds under the offering, interests will be payable annually, and the principal of all the innovative and entrepreneurial convertible corporate bonds that have not been converted shall be repaid in whole upon maturity together with interests accrued for the interest period.

8. Interest commencement date: The interest commencement date of the Bonds is 23 February 2018.

9. Interest payment date: The annual interest payment date is the day on which the innovative and entrepreneurial convertible corporate bonds under the offering have been issued for each full year since the first day of their issuance. Interests are calculated for the first two interest-bearing years but no interest is paid, and the interests generated in the first three interest-bearing years shall be combined for payment on the interest payment date in the third interest-bearing year. If such day is a statutory holiday or rest day, payment will be postponed to the next working day without additional interests. The period between every two consecutive interest payment dates is an interest-bearing year.

10. Credit rating and credit rating agencies: The Bonds have no rating.

11. Time and place of listing: The Bonds were listed and traded on the Shanghai Stock Exchange on 5 March 2018.

12. Registration, custodial, entrusted bond interest distribution and repayment institution: Shanghai Branch of China Securities Depository and Clearing Corporation Limited (hereinafter referred to as “CSDC Shanghai Branch”).

II. Redemption Scheme of “18 Junshi Convertible Bonds”

(I) Redemption provisions

1. Provisions of redemption on maturity

Within five trading days after the maturity of the innovative and entrepreneurial convertible bonds under the offering, the Company will redeem all the innovative and entrepreneurial convertible corporate bonds that have not been converted at the nominal value of the bonds plus current accrued interests.

2. Conditional redemption provisions

If the Company has applied to the local securities regulatory bureau for guidance on the listing and offering of A shares and its application has been accepted, the Company will publish an announcement on the Shanghai Stock Exchange. For bondholders who have not applied for conversion to shares in the latest conversion declaration period, the Company is entitled to redeem the unconverted bonds held by the bondholders after the declaration period at the nominal value of the bonds plus the current accrued interests.

Current accrued interests include the unpaid interest generated in past interest-bearing years and accrued interests in the current interest-bearing year. Please refer to relevant content of “Clause 7. Term and methods of payment of principal and interest” in “II. Basic Information of Bonds Issuance and Issuance Provisions” under “Section I Overview of Issuance” of the *Prospectus* for the calculation method of unpaid interests generated in past interest-bearing years. The formula for calculating the accrued interests in the current interest-bearing year is $IA = B \times i \times t / 365$.

IA: Interests accrued in the current interest-bearing year;

B: Total amount of the nominal value of the convertible bonds held by the holders of the convertible bonds.

i: Coupon rate of convertible bonds in the current year;

t: The number of interest-bearing days, i.e. actual calendar days from the last interest-bearing date to the redemption date of the current interest-bearing year (including the start date, but excluding the end date).

(II) Fulfilment of conditions for redemption

The Company has submitted the listing guidance filing materials to the Shanghai Securities Regulatory Bureau and the listing guidance filing information has been published on the website of the Shanghai Securities Regulatory Bureau on 5 May 2019. The Company has issued an

announcement on 9 May 2019, drawing the attention of bondholders to the fact that the Company has applied to the local securities regulatory bureau for guidance on the listing and offering of A shares and its application has been accepted. For bondholders who have not applied for conversion to shares in the latest conversion declaration period, the Company is entitled to redeem the unconverted bonds held by the bondholders after the declaration period at the nominal value of the bonds plus the current accrued interests.

According to the *Proposal for Shareholders' Meeting to Authorize the Board of Directors or Authorized Persons of the Board of Directors to Handle Specific Matters of the Non-public Offering of Convertible Corporate Bonds with Full Discretion* considered and approved at the 31st Meeting of the 1st session of the Board of Directors on 30 October 2017 and the 7th Extraordinary General Meeting of 2017 on 15 November 2017 respectively, the Chairman of the Company was granted the authorization to make the *Decision on Early Redemption of "18 Junshi Convertible Bonds"* on 24 June 2019, deciding that the Company shall exercise the right of early redemption of the Bonds and redeem all "18 Junshi Convertible Bonds" registered on the "date of registration of creditors' rights".

(III) Redemption announcement

The Company decided to exercise its right of optional redemption of the "18 Junshi Convertible Bonds" in June 2019, and has issued the *Indicative Announcement relating to the Early Redemption of "18 Junshi Convertible Bonds" of Shanghai Junshi Biosciences Co., Ltd.* on 25 June 2019, and published the *Announcement on matters relating to the Early Redemption of "18 Junshi Convertible Bonds" of Shanghai Junshi Biosciences Co., Ltd.* on the website of the Shanghai Stock Exchange and the designated information disclosure platform of the National Equities Exchange and Quotations on 26 June 2019.

(IV) Implementation scheme for redemption

1. Date of registration of creditors' rights

The date of registration of creditors' rights of "18 Junshi Convertible Bonds" is 5 July 2019.

2. Redemption objects

Redemption objects of "18 Junshi Convertible Bonds" are bonds held by bondholders and having not been converted after the closing of the market on 5 July 2019.

3. Calculation of redemption interests

Current accrued interests include the unpaid interests generated in past interest-bearing years and accrued interests in the current interest-bearing year. Please refer to relevant content of “Clause 7. Term and methods of payment of principal and interest” in “II. Basic Information of Bonds Issuance and Issuance Provisions” under “Section I Overview of Issuance” of the *Prospectus* for the calculation method of unpaid interests generated in past interest-bearing years. The formula for calculating the accrued interests in the current interest-bearing year is $IA = B \times i \times t / 365$.

IA: Interests accrued in the current interest-bearing year;

B: Total amount of the nominal value of the convertible bonds held by the holders of the convertible bonds.

i: Coupon rate of convertible bonds in the current year;

t: The number of interest-bearing days, i.e. actual calendar days from the last interest-bearing date to the redemption date of the current interest-bearing year (including the start date, but excluding the end date).

4. Redemption price

The Bonds have a nominal value of RMB 100 per bond, and the unpaid interests per bond in the previous year was RMB 10.35. The interest-bearing period in the current year is from 23 February 2019 to 5 July 2019 with a total of 133 natural days. The redemption price is the nominal value of the bonds plus current accrued interests, and the current accrued interests include the unpaid interests generated in past interest-bearing years and accrued interests in the current interest-bearing year. Therefore, the redemption price per bond is $P = 100 + 100 \times 10.35\% + 100 \times 10.35\% \times 133 / 365 = \text{RMB } 114.1214$.

5. Redemption Procedures

Before the end of redemption, the Company will publish indicative announcements on the redemption of “18 Junshi Convertible Bonds” for three times on the website of the Shanghai Stock Exchange and the designated information disclosure platform of the National Equities Exchange and Quotations, informing holders of “18 Junshi Convertible Bonds” about the various matters relating to this redemption. On the next trading day of date of registration of creditors’ rights (8 July 2019), all “18 Junshi Convertible Bonds” registered with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (hereinafter referred to as “CSDC Shanghai Branch”) will be frozen, and transactions and transfers will be suspended.

6. Distribution date of redemption funds and delisting date

The distribution date of redemption funds and delisting date are 8 July 2019. The Company will entrust the CSDC Shanghai Branch to distribute the redemption funds through its fund settlement system to holders who have registered on the redemption date and have completed the designated transactions in the member units of the Shanghai Stock Exchange. Meanwhile, a corresponding amount of “18 Junshi Convertible Bonds” of the holders will be deducted. Investors who have completed the designated transactions may collect redemption funds at designated securities business department on the distribution date. The redemption funds of bondholders who have not completed the designated transactions will be temporarily kept by the CSDC Shanghai Branch, and will be distributed after the designated transactions have been completed.

III. Interest Payment Method

1. The Company has signed the Agreement of Agency for Bond Principal Repayment and Interest Payment with CSDC Shanghai Branch, and entrusted the CSDC Shanghai Branch to repay bond principal and distribute interests. If the Company fails to transfer the funds for bond principal repayment and interest payment in full amount to the bank account designated by the CSDC Shanghai Branch on time, the CSDC Shanghai Branch will terminate the entrusted bond principal repayment and interest payment service according to the agreement, and subsequent bond principal repayment and interest payment shall be handled by the Company itself. Relevant implementation matters shall be subject to the announcement of the Company. The Company will transfer the bond interests of the current year to the bank account designated by the CSDC Shanghai Branch in full amount 2 trading days prior to the interest payment date of the current year.

2. After receiving the payment, the CSDC Shanghai Branch will transfer the bond interests to the corresponding repayment institutions (securities companies or other institutions recognized by the CSDC Shanghai Branch) through the fund settlement system, and investors may collect the bond interests at the repayment institutions.

IV. Explanation on Income Tax on Bond Interest

1. According to the *Individual Income Tax Law of the People's Republic of China* and other relevant tax regulations and documents, individual investors of the Bonds shall pay tax for personal interest income derived from corporate bonds.

Individual income tax on the interests of the Bonds will be withheld and paid directly by repayment institutions to tax authorities where the repayment institutions are located. The tax on personal interest income derived from the Bonds is described as follows:

(1) Taxpayer: Individual investors of the Bonds.

(2) Taxable object: Interest income derived from the Bonds.

(3) Tax rate: 20% of the amount of interests.

(4) Taxation: one-off deduction of taxes by repayment institutions from the interest income to be received by individual investors.

(5) Withholding and payment agent: The repayment institutions are responsible for the interest payment of the Bonds.

2. For non-resident enterprises such as qualified foreign institutional investors holding the Bonds (having the same meaning as specified in the *Enterprise Income Tax Law of the People's Republic of China*), according to the *Circular on Policies on Enterprise Income Tax and Value-added Tax for Foreign Institutions Investing in the Domestic Bond Market* issued by the Ministry of Finance and State Taxation Administration on 7 November 2018 (Cai Shui [2018] No. 108), the enterprise income tax and value-added tax will be exempted temporarily from the bond interest income obtained by the foreign institutions investing in the domestic bond market from 7 November 2018 to 6 November 2021. The above temporary exemption of enterprise income tax excludes bond interests earned by institutions or premises established in China by foreign institutions that have actual connection with such institutions or premises.

3. Explanation on the payment of income tax for corporate bond interests by other bond investors

According to the *Enterprise Income Tax Law of the People's Republic of China* and other relevant tax regulations and documents, bond interest income tax of other bondholders shall be paid by themselves.

V. Impact of Redemption of “18 Junshi Convertible Bonds” on the Company

By 24 June 2019, the balance of all “18 Junshi Convertible Bonds” registered with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (hereinafter referred to as “CSDC Shanghai Branch”) was RMB 200,000,000.00 (2,000,000.00 bonds), accounting for 100% of all RMB 200,000,000 convertible bonds issued by the Company, there was no bond conversion in the bond duration period, and the Company's total share capital was not increased due to the issuance of the Bonds.

VI. Follow-up Matters of Redemption of Convertible Bonds

Since 8 July 2019, “18 Junshi Convertible Bonds” (bond code: 145951) and “Junshi Zhuangu” (convertible bond code: 193051) will be delisted from the Shanghai Stock Exchange.

VII. Relevant Institutions of “18 Junshi Convertible Bonds” and Their Contact Information

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The Announcement is hereby made.

Shanghai Junshi Biosciences Co., Ltd.

Board of Directors

26 June 2019