

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **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 Correction of Accounting Errors in Prior Years” dated 13 December 2019 published by Shanghai Junshi Biosciences Co., Ltd. on the website of the National Equities Exchange and Quotations. The following is a translation of the official announcement solely for the purpose of providing information.

The corrections/adjustments are made on the Company’s financial statements prepared under the China Accounting Standards (PRC GAAP) as published on the website of the National Equities Exchange and Quotations in relation to the year ended 31 December 2018. The corrections/adjustments do not affect the Company’s relevant financial statements prepared under the International Financial Reporting Standards (IFRSs) as published on the website of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with respect to the corresponding period.

The corrections/adjustments are related to a money receipt and return which took place prior to the listing of the Company’s H shares on the Stock Exchange on 24 December 2018 (the “**Listing**”). To the best knowledge, information and belief of the Company having made all reasonable enquiries, Beijing Baiyining Medical Technology Co., Ltd.\* (北京百益寧醫學科技有限責任公司) is not a connected person (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”)) of the Company. The money receipt and return did not constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

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

Shanghai, the PRC, 13 December 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 Short Name: Junshi Bio-B

Chief Agency Broker: CICC

**Shanghai Junshi Biosciences Co., Ltd.\***  
**上海君實生物醫藥科技股份有限公司**

**Announcement on Correction of Accounting Errors in Prior Years**

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

**I. Overview of Correction**

Pursuant to the Accounting Standards for Business Enterprises No. 28- Changes in Accounting Policies and Accounting Estimates and Correction of Errors and the relevant requirements of National Equities Exchange and Quotations Co., Ltd., Shanghai Junshi Biosciences Co., Ltd. (the “Company” or “Junshi Bio”) identified certain accounting errors and made corresponding adjustments by reviewing its financial statements for the years ended 31 December 2016, 2017 and 2018 and the six months ended 30 June 2019 and checking the relevant accounting treatments. RSM China (容誠會計師事務所(特殊普通合夥)) (“RSM”) issued the Special Explanations on Correction of Accounting Errors by Shanghai Junshi Biosciences Co., Ltd. (Kuai Zhuan Zi [2019] No. 8385) (《關於上海君實生物醫藥科技股份有限公司會計差錯更正的專項說明》(會專字[2019]8385號)) in which RSM audited and confirmed the accounting errors identified and the accounting adjustments made by the Company, details of which are set out as follows:

**Money receipt and return between related parties**

Related party	Amount (Yuan)	Date of receipt	Date of return
Beijing Baiyining Medical Technology Co., Ltd.* (北京百益寧醫學科技有限責任公司)	10,000,000.00	18 October 2018	6 November 2018

Such correction does not affect total assets, net assets and net profit of the Company for the year ended 31 December 2018.

Whether it is an innovative company or not: ☐ Yes ☒ Not

**II. Voting and Approval**

The Resolution on Correction of Accounting Errors in Prior Years (《關於公司前期會計差錯更正的議案》) was considered and approved at the 18th meeting of the second session of the Board of Directors and the 15th meeting of the second session of the Supervisory Committee of the Company.

---

**III. Explanation of the Board of Directors on the Rationality of the Correction of Accounting Errors**

The Board of Directors considers that, pursuant to the Accounting Standards for Business Enterprises No. 28 - Changes in Accounting Policies and Accounting Estimates and Correction of Errors and the relevant requirements of National Equities Exchange and Quotations Co. Ltd., correcting the errors in the financial reports of the Company for the year ended 31 December 2018 can give a more objective, more reasonable and fairer picture of the financial condition and operating results of the Company, the decision-making procedures in relation to the correction of accounting errors are in compliance with the requirements of laws and regulations and the documents of relevant departments, and there is no damage to the interests of the Company and its shareholders. As such, the Board of Directors has approved the correction of accounting errors.

**IV. Opinions of the Accountants on the Correction of Accounting Errors**

Pursuant to the Accounting Standards for Business Enterprises No. 28 - Changes in Accounting Policies and Accounting Estimates and Correction of Errors and the relevant requirements of National Equities Exchange and Quotations Co. Ltd., RSM China (容誠會計師事務所(特殊普通合夥)) (“RSM”) has corrected the accounting errors in the financial statements of Junshi Bio for the year ended 31 December 2018 and the related comparative information in accordance with the relevant requirements of the Auditing Standards for Chinese Certified Public Accountants.

RSM considers that the above error correction relating to Junshi Bio is appropriate and in compliance with the relevant requirements of the Accounting Standards for Business Enterprises.

**V. Opinions of the Supervisory Committee on the Correction of Accounting Errors**

The Supervisory Committee considers that, pursuant to the Accounting Standards for Business Enterprises No. 28 - Changes in Accounting Policies and Accounting Estimates and Correction of Errors and the relevant requirements of National Equities Exchange and Quotations Co. Ltd., correcting the errors in the financial reports of the Company for the year ended 31 December 2018 can give a more objective, more reasonable and fairer picture of the financial condition and operating results of the Company, the decision-making procedures in relation to the Correction of Accounting Errors are in compliance with the requirements of laws and regulations and the documents of relevant departments, and there is no damage to the interests of the Company and its shareholders. As such, the Supervisory Committee has approved the correction of accounting errors.

**VI. Opinions of the Independent Directors on the Correction of Accounting Errors**

Pursuant to the Accounting Standards for Business Enterprises No. 28 - Changes in Accounting Policies and Accounting Estimates and Correction of Errors and the relevant requirements of National Equities Exchange and Quotations Co. Ltd., we, as the independent Directors of Shanghai Junshi Biosciences Co., Ltd., hereby express our independent opinions on the correction of the errors in the financial reports of the Company for the year ended 31 December 2018 as follows:

1. The correction on the financial reports for the year ended 31 December 2018 has been made by the Company in accordance with the relevant accounting standards and such correction and adjustments are fair and reasonable, and the adjusted financial statements can give a more accurate and objective picture of the financial condition of the Company;
2. The correction on the financial reports of the Company for the year ended 31 December 2018 is in compliance with the requirements of the relevant laws and regulations and regulatory documents and there is no damage to the interests of the Company and its shareholders.

**VII. Effect of Correction of Accounting Errors on the Company**

Whether the retrospective adjustment approach is adopted or not: ☐ Yes ☒ Not

**VIII. Documents Available for Inspection**

- (I) Resolution of the 18th Meeting of the Second Session of the Board of Directors of Shanghai Junshi Biosciences Co., Ltd. (《上海君實生物醫藥科技股份有限公司第二屆董事會第十八次會議決議》);
- (II) Resolution of the 15th Meeting of the Second Session of the Supervisory Committee of Shanghai Junshi Biosciences Co., Ltd. (《上海君實生物醫藥科技股份有限公司第二屆監事會第十五次會議決議》);
- (III) Special Explanations on Correction of Accounting Errors by Shanghai Junshi Biosciences Co., Ltd. (《關於上海君實生物醫藥科技股份有限公司會計差錯更正的專項說明》).

Board of Directors of  
Shanghai Junshi Biosciences Co., Ltd.  
13 December 2019