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 the Capital Increase in Wholly-owned Subsidiaries of the Company" dated 21 November 2019 published by Shanghai Junshi Biosciences Co., Ltd. (the "**Company**") on the website of National Equities Exchange and Quotations. 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
Shanghai Junshi Biosciences Co., Ltd.*
Mr. Xiong Jun
Chairman

Shanghai, the PRC, 21 November 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.

Announcement on the Capital Increase in Wholly-owned Subsidiaries of the Company

I. Overview of the External Investment

(I) Basic information

The Company intends to increase the registered capital of Suzhou Union Biopharm Biosciences Co., Ltd.* (hereinafter referred as to the "Suzhou Union Biopharm"), a wholly-owned subsidiary, to RMB750,000,000.00, that is, the additional registered capital of Suzhou Union Biopharm will be RMB50,000,000.00, of which RMB50,000,000.00 shall be contributed by the Company; and the Company intends to increase the registered capital of Suzhou Junmeng Biosciences Co., Ltd.* (hereinafter referred as to the "Suzhou Junmeng"), a wholly-owned subsidiary, to RMB600,000,000.00, that is, the additional registered capital of Suzhou Junmeng will be RMB100,000,000.00, of which RMB100,000,000.00 shall be contributed by the Company.

(II) Whether it constitutes a significant asset restructuring

The transaction does not constitute a significant asset restructuring.

According to the "Questions and Answers on the Significant Asset Restructuring of Quoted Companies" (《挂牌公司重大資産重組業務問答》), "the increase in capital by a quoted company to its wholly-owned subsidiary or a holding subsidiary, or newly established wholly-owned subsidiary or a holding subsidiary, does not constitute a significant asset restructuring." Therefore, this capital increase in wholly-owned subsidiaries by the Company does not constitute a significant asset restructuring.

(III) Whether it constitutes a connected transaction

This transaction does not constitute a connected transaction.

(IV) Review and voting

The 16th meeting of the second session of the Board of Directors reviewed and approved the "Proposal on Increase Share Capital to the wholly-owned Subsidiary", this proposal still needs to be submitted to the first extraordinary general meeting of 2020 for consideration.

(V) Other approvals and related procedures required for the transaction to take effect

This capital increase shall be filed with the local industrial and commercial administration department for the change of business registration.

(VI) This external investment does not involve entering into new areas.

II. Basic Information of the Investment Subject

(I) Capital Increase in Suzhou Union Biopharm Biosciences Co., Ltd.*

1. Method of Capital Contribution

Method of capital contribution adopted in this external investment: Capital increase in cash

Descriptions of capital contribution made in this external investment

The Company intends to increase the registered capital of Suzhou Union Biopharm by RMB50,000,000.00 with its own funds by way of a capital increase in cash with a view to enhancing the capital strength of Suzhou Union Biopharm.

2. Basic Information of the Investment Subject

Name: Suzhou Union Biopharm Biosciences Co., Ltd.*

Registered address: No. 999, Longqiao Road, Wujiang Economic and Technological Development Zone

Business scope: bulk pharmaceutical chemical, new drug research and development and related technology development, technical consultation, technology transfer and technical services; research, development and sales of pharmaceutical intermediates (except for drugs and dangerous chemicals) and related technology development, technical consultation, technology transfer and technical services; manufacturing and sales of monoclonal antibody injection; operation and agency of various goods and technologies import and export business (except for goods and technologies that are restricted or prohibited from importing and exporting by the state). (Projects subject to approval according to law may be operated upon approval by relevant authorities)

The amount of investment and shareholding of each major investor prior to this capital increase:

Unit: RMB

Name of Investor	Amount of Capital Contribution or Investment	Method of Capital Contribution	Subscribed/Paid- up	Ratio of Capital Contribution or Shareholding
Shanghai Junshi Biosciences Co., Ltd.	700,000,000.00	In cash, debt-to-equity swap	Subscribed	100%

The amount of investment and shareholding of each major investor after this capital increase:

Unit: RMB

Name of Investor	Amount of Capital Contribution or Investment	Method of Capital Contribution	Subscribed/Paid- up	Ratio of Capital Contribution or Shareholding
Shanghai Junshi Biosciences Co., Ltd.	750,000,000.00	In cash, debt-to-equity swap	Subscribed	100%

(II) Capital Increase in Suzhou Junmeng Biosciences Co., Ltd.*

1. Method of Capital Contribution

Method of capital contribution adopted in this external investment: Capital increase in cash

Descriptions of capital contribution made in this external investment

The Company intends to increase the registered capital of Suzhou Junmeng by RMB100,000,000.00 with its own funds by way of a capital increase in cash with a view to enhancing the capital strength of Suzhou Junmeng.

2. Basic Information of the Investment Subject

Name: Suzhou Junmeng Biosciences Co., Ltd.*

Registered address: East of Chang'an Road, Wujiang Economic and Technological Development Zone (inside Wujiang Scientific Innovation Park)

Business scope: research and development of bio-pharmaceutical and the provision of related technical consulting, technology transfer, technical services; operation and agency of various goods and technologies import and export business (except for goods and technologies that are restricted or prohibited from importing and exporting by the state). (Projects subject to approval according to law may be operated upon approval by relevant authorities)

The amount of investment and shareholding of each major investor prior to this capital increase:

Unit: RMB

Name of Investor	Amount of Capital Contribution or Investment	Method of Capital Contribution	Subscribed/Paid-up	Ratio of Capital Contribution or Shareholding
Shanghai Junshi Biosciences Co., Ltd.	500,000,000.00	In cash, debt-to-equity swap	Subscribed	100%

The amount of investment and shareholding of each major investor after this capital increase:

Unit: RMB

Name of Investor	Amount of Capital Contribution or Investment	Method of Capital Contribution	Subscribed/Paid-up	Ratio of Capital Contribution or Shareholding
Shanghai Junshi Biosciences Co., Ltd.	600,000,000.00	In cash, debt-to-equity swap	Subscribed	100%

III. Main Contents of the External Investment Agreement

There is no need to sign external investment agreement for this transaction.

IV. The Purpose of the External Investment, Potential Risks and Impact on the Company

(I) The purpose of this external investment

This capital increase in Suzhou Union Biopharm and Suzhou Junmeng will strengthen their capital strength, which is beneficial to the long-term development of Suzhou Union Biopharm and Suzhou Junmeng.

(II) Potential risks associated with this external investment

This capital increase in Suzhou Union Biopharm and Suzhou Junmeng will not have a material impact to the Company's business operations, and risks are controllable.

(III) Impact on this external investment on the Company's future financial conditions and operation performance

This capital increase in Suzhou Union Biopharm and Suzhou Junmeng will significantly strengthen the capital of Suzhou Union Biopharm and Suzhou Junmeng, and is beneficial to their long-term development, and will have a positive influence on the Company's future financial conditions and operating performance.

V. Documents Available for Inspection

(I) "Resolution of the 16th Session of the Second Session of the Board of Directors of Shanghai Junshi Biosciences Co., Ltd."

Shanghai Junshi Biosciences Co., Ltd.
Board of Directors
21 November 2019