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## **CSPC PHARMACEUTICAL GROUP LIMITED**

**石藥集團有限公司**

*(Incorporated in Hong Kong under the Companies Ordinance)*

**(Stock Code: 1093)**

### **VOLUNTARY ANNOUNCEMENT**

#### **PRODUCT LICENSING AND COMMERCIALIZATION AGREEMENT**

The board of directors (the “**Board**”) of CSPC Pharmaceutical Group Limited (the “**Company**”) is pleased to announce that CSPC Baike (Shandong) Biopharmaceutical Co, Ltd. (“**CSPC Baike**”), a wholly-owned subsidiary of the Company, has entered into an agreement (the “**Agreement**”) with I-Mab Biopharma (Shanghai) Co., Ltd. (“**I-Mab**”) in relation to the licensing and commercialization of long-acting recombinant GLP-1 Fc fusion protein (TG103) for injection (the “**Product**”) developed by I-Mab. The Product has been granted approval for clinical trial by the National Medical Products Administration for the indication of type 2 diabetes in China.

Pursuant to the Agreement, CSPC Baike shall be granted the exclusive rights to the Product by I-Mab for the development and commercialization of the Product for all indications in China (excluding Hong Kong, Macau and Taiwan) (the “**Region**”), and I-Mab shall provide the necessary technical support.

In consideration for the exclusive rights, CSPC Baike agreed to pay upfront payment of RMB15,000,000 and development milestone payments of up to RMB135,000,000 to I-Mab based on the development progress of the Product in the Region. CSPC Baike also agreed to pay sales royalty to I-Mab based on the sales amount of the Product achieved in the Region.

TG103 is an innovative long-acting recombinant human glucagon-like peptide-1 (GLP-1) Fc fusion protein. Building on the long acting mechanism platform of hyFc fusion protein, the molecular design of TG103 features the characteristics of prolonging the half life of GLP-1 in the body. As shown by the currently available data, TG103 enables the subcutaneous administration once per week or once per two weeks, which would significantly improves the patient adherence. The results of preclinical studies and phase I clinical trial (conducted in Germany) of TG103 have shown its superior safety, providing support for its subsequent development and increasing the possibilities for the development of combined medication.

I-Mab is a global innovative biopharmaceutical research and development company based in China with an experienced R&D team of international standard. I-Mab focuses on developing innovative biologics in the areas of immuno-oncology and autoimmunity diseases with first-in-class and best-in-class potential.

By Order of the Board  
**CSPC Pharmaceutical Group Limited**  
**CAI Dongchen**  
*Chairman*

Hong Kong, 17 December 2018

*As at the date of this announcement, the Board comprises Mr. CAI Dongchen, Mr. WANG Zhenguo, Mr. PAN Weidong, Mr. WANG Huaiyu, Dr. LU Hua, Dr. LI Chunlei, Mr. ZHANG Cuilong, Dr. WANG Qingxi and Mr. CHAK Kin Man as executive directors; Mr. LEE Ka Sze, Carmelo as non-executive director; and Mr. CHAN Siu Keung, Leonard, Mr. WANG Bo, Professor LO Yuk Lam, Dr. YU Jinming and Mr. CHEN Chuan as independent non-executive directors.*