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ASIA EDITION

Mabpharm announces proposed listing on the Main Board of the Hong Kong Stock Exchange

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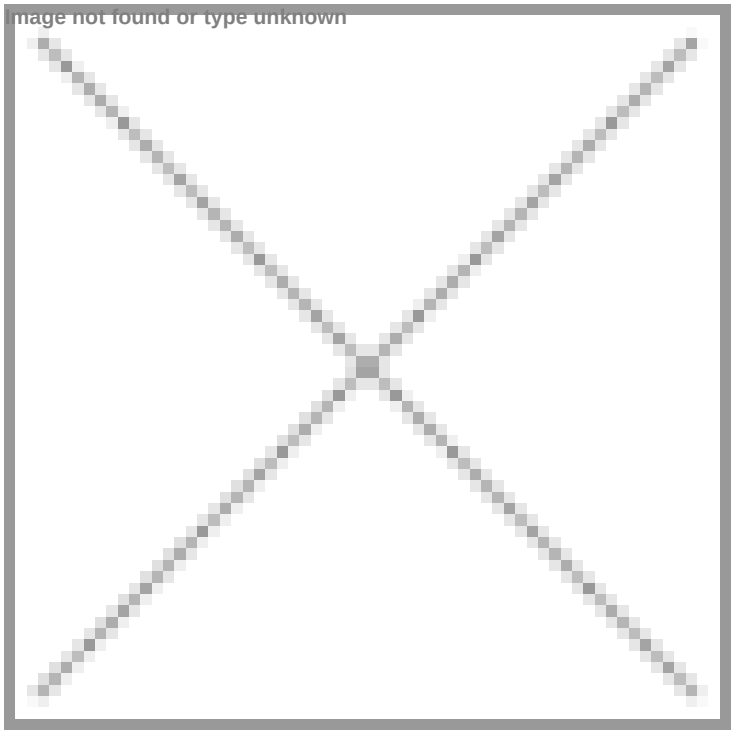

A leading biopharmaceutical company in China, Mabpharm Limited has announced that the proposed listing of its shares on the Main Board of The Stock Exchange of Hong Kong Limited.

According to the announcement, Mabpharm plans to offer 783,580,000 shares (subject to the Over-allotment Option) , of which 705,222,000 shares will be International Offer Shares (subject to adjustment and the Over-allotment Option), representing approximately 90% of the initial offer shares; the remaining 78,358,000 shares will be Hong Kong offer shares (subject to adjustment), representing approximately 10% of the initial offer shares. Offer price is set between HK$1.50 to HK$1.95 per share. Mabpharm will open for Hong Kong Public Offering in Hong Kong at 9 a.m., 20 May, 2019 (Monday), and close at 12:00 noon, May 24, 2019 (Friday). Dealings in shares of Mabpharm on the Main Board of the Hong Kong Stock Exchange is expected to commence on 31 May, 2019 (Friday). The shares will be traded in board lot of 2,000 shares each.

China International Capital Corporation Hong Kong Securities Limited is the Sole Sponsor, Sole Global Coordinator and Sole Bookrunner.

Mabpharm is a leading biopharmaceutical company in China, focusing on the research, development and production of new

drugs and biosimilar for cancers and autoimmune diseases. The Group strives to bring to market high quality and affordable innovative biologics through the efficient R&D system and low-cost pharmaceutical production capability, and develop differentiated therapeutic products by fully utilizing the Group's extensive R&D experience.

The Group's pipeline of drug candidates currently consists of nine monoclonal antibody drugs, three of which are Core Products under phase III clinical trials: CMAB007 (omalizumab), CMAB009 (cetuximab) and CMAB008 (infliximab). CMAB007 is the Group's a recombinant humanized anti-IgE monoclonal antibody drug candidate. It is the only mAb asthma therapy developed in China by a local Chinese company that has reached phase III clinical trial. CMAB009 and CMAB008 are the first NMPA approved chimeric anti-EGFR antibody and anti-TNF-alpha antibody for clinical trial developed in China by a local Chinese company respectively. In addition, two of the other drug candidates, CMAB809 (trastuzumab) and CMAB819 (nivolumab), have obtained approval for clinical trials.

The primary focus of Mabpharm's research and development ("R&D") - monoclonal antibody drugs targeting cancers and autoimmune diseases - has substantial untapped clinical demand in China. According to Frost & Sullivan, cancers and autoimmune diseases are among the largest therapeutic areas in the monoclonal antibody segment, with an aggregate market size of RMB10.4 billion in 2017 and an expected aggregate market size of RMB64.6 billion in 2022.

The Group has strong in-house capabilities in research, pre-clinical and clinical development, and manufacturing, and are building sales and marketing team to prepare for the commercialization of its product candidates. The Group's advanced R&D systems include antibody engineering and humanization technologies, efficient expression vector construction technologies, efficient clone screening technologies, as well as a proprietary research and development animal model. The Group's R&D team has more than 16 years of experience in monoclonal antibody research. Some of the core R&D team members had track record of successfully developing two types of humanized antibody targeted therapeutic drugs which have obtained NMPA approval, as well as several awards, including the National Intellectual Property Gold Award, the National Technological Invention Award and the National Science & Technology Advancement Award. Most of the core members of R&D team have working experience gained from leading Chinese and international pharmaceutical companies and research centers, and as project leaders for major projects in the vaccine and antibody field under the "863" Program.

The Group's production site in Taizhou, currently equipped with a 3*1,500L bioreactor system, is one of the largest antibody drug production facilities in China in terms of production capacity according to Frost & Sullivan and can satisfy the current clinical and commercialized production needs. Mabpharm believes its existing production capacity is able to support the demand of clinical research and early stage commercial manufacturing till 2021. The Group is in the process of procuring three additional workshops, each consisting of a 3*1,500L bioreactor system, which is expected to be operational in 2021, to support the increasing demand after the approval of Core Products to market. In January 2019, the Group acquired a parcel of industrial land in Taizhou Hi-tech Zone for construction of large-scale monoclonal antibody drug production workshops. The Group plans to build, among others, two monoclonal antibody drug substance production lines and two drug product filling lines.

Mr. Jiao Shuge, Chairman of the Board of Mabpharm Limited said, "Driven by unmet needs of the patient population, increasing healthcare expenditures, favorable government policies, approval of new biologics therapies and increased investment in research and development, China's biologics market has experienced rapid growth in the past few years, with growth rate exceeding that of the global biologics market. In addition, MAbs is the largest category in global biologics market by revenue. The mAbs market is expected to experience higher growth rate than the biologics market in general, increasing from US$103.8 billion in 2017 to US$183.8 billion in 2022, representing a CAGR of 12.1% in the same period. Capitalizing on our strong R&D capabilities, a diversified and comprehensive monoclonal antibody pipeline, leading R&D team and technology platform, clear cost advantages and highly experienced management, sales and research teams, Mabpharm will seize the substantial market opportunities, and further enhance the leading position in the industry."

The Group believes that R&D is the key element to support the Group's future growth and ability to maintain the competitiveness in a global biopharmaceutical market. The Group plans to upgrade the development of integrated technological platforms from molecular design to commercialized production, and focus on the research and development of biologics with huge clinical demand and the potential for sustained and rapid growth in China. In order to capture new opportunities in the biopharmaceutical market, the Group plans to continue increasing the investment into innovative technologies for the development of drugs with improved curative effects and less toxic side effects in order to maintain its industry leading position. Over the short-term, the Group intends to focus on completing clinical trials and the eventual commercialization of current pipeline of drug candidates, particularly the Core Products, CMAB007, CMAB009 and CMAB008. Moreover, the Group plans to leverage close cooperation with elite universities in China and internationally to recruit and develop outstanding R&D personnel to continue to attract and nurture high quality talent to support its rapid growth. The Group may also consider developing collaborative partnerships with global pharmaceutical companies in order to

enter and expand market share in markets outside of China and to further broaden the geographic coverage of its business.

Mr. Jiao Shuge concluded, "Mabpharm stays true to itself. In the future, we will continue to focus on the research, development and production of new drugs and biosimilar for cancers and autoimmune diseases. We will strive to bring to market high quality and affordable innovative biologics through our efficient R&D system and low-cost pharmaceutical production capability, and develop differentiated therapeutic products by fully utilizing our extensive R&D experience. Meanwhile, we will seize opportunities arising from market development, actively enhance core competitiveness, and achieve sustainable development. We are ready to make full use of Hong Kong's unique financing platform and our competitive advantages, further improving our capability to create the greatest value for the shareholders."