

[For Immediate Release]



Jacobson Pharma Enters Agreements with Shanghai Henlius Biotech Inc. To Tap Biologics Market

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Subscribing Shanghai Henlius' Shares at a Consideration of RMB99.4 Million

(Hong Kong, 20 December 2017) **Jacobson Pharma Corporation Limited** (“**Jacobson Group**” or the “**Group**”; **Stock Code: 2633**), a leading company engaged in the research, development, production, marketing and sale of generic drugs and proprietary medicines, today announced that through its wholly-owned subsidiaries, Jacobson Medical (Hong Kong) Limited (“**Jacobson Medical**”) and Joyful Ascent Limited (the “**Subscriber**”), it has entered into a Licensing Framework Agreement and a Capital Increase Agreement with a subsidiary of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (a joint stock limited company listed on the main board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange) namely, Shanghai Henlius Biotech Inc. (“**Shanghai Henlius**”, 上海復宏漢霖生物技術股份有限公司), a technological leader in research and development of biosimilar antibody drugs in China. These collaborative agreements will help Jacobson Group and Shanghai Henlius forge a strategic platform to quickly tap into the fast growing biosimilar market in Hong Kong and certain emerging ASEAN markets.

Under the Licensing Framework Agreement, Jacobson Medical will be granted an exclusive right to develop and market a propriety biosimilar product of Shanghai Henlius (the “**Product**”) in Hong Kong and Macau for a period of 10 years, alongside a right of first negotiation towards entering into a definitive agreement to commercialize the Product in certain emerging markets within ASEAN domains.

The Product is the second monoclonal antibody developed by Shanghai Henlius with a general name of Recombinant Humanized Anti-Her2 Monoclonal Antibody Injection, which belongs to the biosimilar version of Trastuzumab. Shanghai Henlius received the China Food and Drug Administration (“**CFDA**”) approval for clinical trials of the Product for the indication of breast cancer in July 2015. As of the date of this announcement, the Product for the indication of breast cancer has officially entered phase III trial. Also, at the beginning of 2016, Shanghai Henlius received CFDA approval for clinical trials of the Product for the indication of gastric cancer.

In respect of the Capital Increase Agreement, the Subscriber has conditionally agreed to subscribe 4,376,422 shares of Shanghai Henlius out of the total of 55,434,678 additional shares at the issue price of RMB22.71 per share in cash (the “**Capital Increase**”), for a consideration of RMB99,388,544 (approximately US\$15,000,000).

The Licensing Framework Agreement and the Capital Increase Agreement as a whole represents a strategic move of the Group for making an entry into the fast-growing biologics market by leveraging the Group's pre-eminent market position, extensive experience in drug registration and well-established sales and distribution network. Such endeavors are believed to be instrumental to the comprehensive development and enhancement of the core competitiveness of the Group.

Jacobson Pharma, a leading pharmaceutical company in Hong Kong with a strong market position in a number of therapeutic categories, has been focusing on developing specialized and premium generics. With a swift-to-market strategy through in-licensing and direct investment on biopharmaceutical projects, the Group is poised to target the biologics market which has witnessed robust growth over the years.

Mr. Derek Sum, Chairman and Chief Executive Officer of Jacobson Pharma said, "We are pleased to announce our collaboration with Shanghai Henlius who is a prominent player spearheading the technological development of antibody biosimilar drugs in China. The combination of Jacobson Group and Shanghai Henlius is a highly strategic, value-enhancing collaboration creating a platform for both companies to gain a quick hold on the growth opportunities of biosimilar products in the market of Hong Kong and certain emerging markets within ASEAN domains.

This collaborative platform also provides the basis for our further partnering opportunities in the field of biologics, offering long term strategic values to the Group and a positive outlook to create sustainable shareholder value."

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About Jacobson Pharma Corporation Limited (雅各臣科研製藥有限公司 ; Stock Code: 2633)

Jacobson Pharma is the largest generic drug company in Hong Kong with over 30% share of the total generic drug market for each year since 2012. The Group's proprietary medicines, notably being Po Chai Pills (「保濟丸」), Tong Tai Chung Woodlok Oil (「唐太宗活絡油」), Ho Chai Kung Tji Thung San (「何濟公止痛退熱散」), Contractubex Scar Gel (「秀碧除疤膏」) Doan's Ointment (「兜安氏藥膏」), Flying Eagle Wood Lok Medicated Oil (「飛鷹活絡油」), Saplingtan (「十靈丹」), Shiling Oil (「十靈油」) and Col-gan Tablet (「傷風克」) have been widely recognized by the market. Jacobson Pharma has been a constituent stock of MSCI Hong Kong Micro Cap Index since 1 June 2017. For more details about Jacobson Pharma, please visit the Group's website: <http://www.jacobsonpharma.com>

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