

Hong Kong

IPO FACT SHEET

Shanghai Henlius Biotech, Inc. (2696)

ISSUE STATISTICS

Offer Size:	HK\$3,208.9m – HK\$3,739.4m
Placement Tranche:	64,695,400 H Shares
Price:	HK\$49.60 – HK\$57.80
Board lot:	100
Entry fee:	HK\$5,838.25
Historical PE	N/A
Net tangible asset per share:	HK\$6.09 – HK\$7.04
Market Cap (post-IPO):	HK\$7,889.5m – HK\$ 9,193.8m
Open:	12 Sep 2019
Close:	12.00 noon on 17 Sep 2019
Trading:	25 Sep 2019
Sponsor:	China International Capital Corporation Hong Kong Securities Limited, Merrill Lynch Far East Limited, CMB International Capital Limited, Fosun Hani Securities Limited, Citigroup Global Markets Asia Limited.

Year ended 31 Dec	(RMB'000)	yoy % chg
Revenue from continuing operations		
2017	33,910	N/A
2018	7,421	-78.1%
Loss for the year/period		
2017	-384,327	N/A
2018	-504,789	31.3%

BACKGROUND

- They are a leading biopharmaceutical company in China with the vision to offer high-quality, affordable and innovative drugs for patients worldwide.
- They are the first biopharmaceutical company to receive NDA approval from the NMPA for a monoclonal antibody biosimilar in accordance with the Biosimilar Guidelines, the prevailing PRC regulation on biosimilar evaluation and marketing approval, and the first to commercially launch a biosimilar product in China.
- As at the Latest Practicable Date, in addition to the biosimilar product they had commercially launched, namely HLX01 (漢利康), they
 had developed in-house over 20 biologic drug candidates and several immuno-oncology combination therapies in their pipeline, including
 (i) two mAb candidates with NDA accepted by the NMPA, including one mAb candidate with MAA accepted by the EMA.

(ii) two mAb candidates undergoing Phase 3 clinical trials and six mAb candidates undergoing Phase 1/2 clinical trials, and two immunooncology combination therapies undergoing Phase 3 clinical trial.

(iii) 31 IND approvals received across different jurisdictions.

BUSINESS STRATEGIES

- Further strengthen their leading position and capitalise on first-entrant advantages in the continuous development of biosimilars.
- Develop an innovative product portfolio focusing on immuno-oncology combination therapy through leveraging their robust and comprehensive biologics pipeline and established mAb development platform.
- Expand manufacturing capabilities and enhance cost effectiveness while maintaining high quality standards.
- Strengthen commercialisation capabilities through in-house sales and marketing team and partnerships.
- Selectively pursue strategic collaborations to expand their global presence.

COMPETITIVE STRENGTHS

• Compelling business model with near-term visibility and long-term growth.

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- Integrated and efficient global R&D platform generating a robust product pipeline.
- Large-scale manufacturing capabilities with enhanced cost efficiencies and robust quality management systems.
- Strong global commercialisation capabilities.
- Visionary co-founders and leadership team.

KEY RISKS

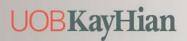
- Risks relating to their financial prospects and need for additional capital.
- Risks relating to the development, clinical trials and regulatory approval of their drug candidates.
- Risks relating to the commercialisation of their drug candidates.
- Risks relating to intellectual property.
- Risks relating to their operations.
- Risks relating to doing business in the PRC.
- Risks relating to the Global Offering.

DIVIDEND POLICY

No fixed dividend policy.

USE OF PROCEEDS

	HK mn	As a percentage of gross proceeds from the Invitation
To fund the ongoing clinical trials, regulatory filing and registration in relation to their Core Products.	1,341.7	40.0%
To fund the ongoing clinical trials, regulatory filing and registration for their biosimilar candidates, including HLX12, HLX11 and HLX14.	503.1	15.0%
To fund the ongoing clinical trials, regulatory filing and registration for their bio-innovative drugs and the development of immuno-oncology combination therapy.	1,174.0	35.0%
Would be allocated towards working capital and general corporate purposes.	335.4	10.0%
Total:	3,354.1	100.0%



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