UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2017

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-37686

BEIGENE, LTD.

(Exact name of registrant as specified in its charter)

Cayman Islands (State or other jurisdiction of incorporation or organization)	**98-1209416** (I.R.S. Employer Identification No.)
c/o Mourant Ozannes Corporate Services (Cayman) Limited **94 Solaris Avenue, Camana Bay** **Grand Cayman** **Cayman Islands** (Address of principal executive offices)	**KY1-1108** (Zip Code)

+1 (345) 949 4123
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated Filer	☐
Non-accelerated filer	☒ (Do not check if a smaller reporting company)	Smaller reporting company	☐
Emerging growth company	☒		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 8, 2017, 591,072,330 ordinary shares, par value $0.0001 per share, were outstanding, of which 377,568,555 ordinary shares were held in the form of 29,043,735 American Depositary Shares, each representing 13 ordinary shares.

BeiGene, Ltd.
Quarterly Report on Form 10-Q

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

BEIGENE, LTD.

CONDENSED CONSOLIDATED BALANCE SHEETS

(Amounts in thousands of U.S. Dollars ("$"), except for number of shares and per share data)

	Note	As of September 30, 2017 $ (unaudited)	As of December 31, 2016 $ (audited)
Assets			
Current assets:			
Cash and cash equivalents		208,510	87,514
Short-term investments	5	548,925	280,660
Accounts receivable		10,521	—
Unbilled receivable		170,950	—
Inventories	6	5,712	—
Prepaid expenses and other current assets		17,712	6,225
Total current assets		962,330	374,399
Property and equipment, net	7	55,322	25,977
Land use right, net	8	12,251	—
Intangible assets, net	9	7,437	—
Goodwill	9	1,984	—
Deferred tax assets	10	7,684	768
Other non-current assets		2,051	4,669
Total non-current assets		86,729	31,414
Total assets		1,049,059	405,813
Liabilities and shareholders' equity			
Current liabilities:			
Accounts payable		35,168	11,957
Accrued expenses and other payables	11	46,991	22,297
Deferred revenue, current portion		9,132	—
Tax payable	10	2,852	804
Current portion of long-term bank loan	14	9,018	—
Total current liabilities		103,161	35,058
Non-current liabilities:			
Long-term bank loan	14	9,018	17,284
Shareholder loan	15	140,311	—
Deferred revenue, non-current portion		29,477	
Deferred tax liabilities	10	1,859	—
Other long-term liabilities		744	564
Total non-current liabilities		181,409	17,848
Total liabilities		284,570	52,906
Commitments and contingencies	24		
Equity:			
Ordinary shares (par value of US$0.0001 per share; 9,500,000,000 shares authorized; 589,772,330 shares issued and outstanding as of September 30, 2017 (December 31, 2016: 9,500,000,000 shares authorized; 515,833,609 shares issued and outstanding))		59	52
Additional paid-in capital		981,237	591,213
Accumulated other comprehensive income /(loss)	20	38	(946)
Accumulated deficit		(231,194)	(237,412)
Total BeiGene, Ltd. shareholders' equity		750,140	352,907
Noncontrolling interest	21	14,349	—
Total equity	22	764,489	352,907
Total liabilities and equity		1,049,059	405,813

The accompanying notes are an integral part of these condensed consolidated financial statements.

BEIGENE, LTD.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in thousands of U.S. Dollars ("$"), except for number of shares and per share data)

(Unaudited)

	Note	Three Months Ended September 30,		Nine Months Ended September 30,	
		2017	2016	2017	2016
		$	$	$	$
Revenue					
Product revenue, net	17	8,822	—	8,822	—
Collaboration revenue	3	211,391	—	211,391	1,070
Total revenues		220,213	—	220,213	1,070
Expenses					
Cost of sales - product		(1,944)	—	(1,944)	—
Research and development		(87,660)	(30,106)	(177,678)	(69,100)
Selling, general and administrative		(15,641)	(4,722)	(35,187)	(11,760)
Amortization of intangible assets		(63)	—	(63)	—
Total expenses		(105,308)	(34,828)	(214,872)	(80,860)
Income /(loss) from operations		114,905	(34,828)	5,341	(79,790)
Interest (expense)/income, net		(1,785)	(75)	(3,581)	336
Changes in fair value of financial instruments	12	—	—	—	(1,514)
(Loss)/gain on sale of available-for-sale securities		—	(137)	10	(1,077)
Other income/(expense), net		1,103	(327)	1,531	732
Income/(loss) before income tax expense		114,223	(35,367)	3,301	(81,313)
Income tax benefit /(expense)	10	3,061	(127)	2,680	(306)
Net income /(loss)		117,284	(35,494)	5,981	(81,619)
Less: Net loss attributable to noncontrolling interest		(102)	—	(237)	—
Net income /(loss) attributable to BeiGene, Ltd.		117,386	(35,494)	6,218	(81,619)
Net income/(loss) per share attributable to BeiGene, Ltd.	18				
Basic (in dollars per share)		0.21	(0.08)	0.01	(0.21)
Diluted (in dollars per share)		0.20	(0.08)	0.01	(0.21)
Weighted-average shares used in net income/(loss) per share calculation	18				
Basic (in shares)		547,546,656	428,137,509	527,329,985	383,472,372
Diluted (in shares)		600,612,680	428,137,509	561,237,818	383,472,372
Net income /(loss) per American Depositary Share ("ADS")					
Basic (in dollars per ADS)		2.79	(1.08)	0.15	(2.77)
Diluted (in dollars per ADS)		2.54	(1.08)	0.14	(2.77)

The accompanying notes are an integral part of these condensed consolidated financial statements.

BEIGENE, LTD.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)

(Amounts in thousands of U.S. Dollars ("$"), except for number of shares and per share data)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	$	$	$	$
Net income /(1oss)	117,284	(35,494)	5,981	(81,619)
Other comprehensive income /(loss), net of tax of nil:				
Foreign currency translation adjustments	341	377	985	(13)
Unrealized holding gain, net	51	121	58	857
Comprehensive income /(loss)	117,676	(34,996)	7,024	(80,775)
Less: Comprehensive loss attributable to noncontrolling interests	(70)	—	(178)	—
Comprehensive income /(loss) attributable to BeiGene, Ltd.	117,746	(34,996)	7,202	(80,775)

The accompanying notes are an integral part of these condensed consolidated financial statements.

BEIGENE, LTD.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in thousands of U.S. Dollars ("$"), except for number of shares and per share data)

(Unaudited)

	Note	Nine Months Ended September 30, 2017	2016
		$	$
Operating activities			
Net income /(loss)		5,981	(81,619)
Adjustments to reconcile net income/(loss) to net cash used in operating activities:			
Depreciation and amortization expense		2,704	1,436
Share-based compensation expense	19	26,401	6,678
Changes in fair value of financial instruments		—	1,514
Loss on disposal of property and equipment		85	—
Non-cash interest expense		4,796	118
Deferred income tax benefits		(5,871)	—
Other non-cash expenses		(10)	1,077
Changes in operating assets and liabilities:			
Accounts receivable		(10,521)	—
Unbilled receivable		(170,950)	—
Inventories		(5,712)	—
Prepaid expenses and other current assets		(10,967)	(2,183)
Other non-current assets		(635)	(1,281)
Accounts payable		21,420	(1,839)
Advances from customers		—	(1,070)
Accrued expenses and other payables		22,371	13,360
Tax payable		1,122	294
Deferred revenue		38,609	—
Other long-term liabilities		180	142
Net cash used in operating activities		(80,997)	(63,373)
Investing activities			
Purchases of property and equipment		(27,441)	(15,440)
Payment for the acquisition of land use right		(12,354)	—
Cash acquired in business combination, net of cash paid	4	19,916	—
Purchase of available-for-sale securities		(464,065)	(193,996)
Proceeds from sale or maturity of available-for-sale securities		245,928	158,307
Investment in time deposits		(50,061)	—
Net cash used in investing activities		(288,077)	(51,129)
Financing activities			
Proceeds from public offering, net of underwriter discount		189,191	169,409
Payment of public offering cost		(674)	(1,478)
Proceeds from sale of ordinary shares, net of cost		149,928	—
Proceeds from long-term loan		—	12,161
Proceeds from short-term loan	13	2,470	—
Repayment of short-term loan	13	(2,470)	—
Capital contribution from noncontrolling interest	21	14,527	—
Proceeds from shareholder loan	15	132,757	—
Proceeds from exercise of warrants and options		—	2,115
Proceeds from option exercises		1,579	3
Net cash provided by financing activities		487,308	182,210
Effect of foreign exchange rate changes, net		2,762	(45)
Net increase in cash and cash equivalents		120,996	67,663
Cash and cash equivalents at beginning of period		87,514	17,869
Cash and cash equivalents at end of period		208,510	85,532
Supplemental cash flow disclosures:			
Income taxes paid		1,429	25
Interest expense paid		940	510
Non-cash activities:			
Discount provided on sale of ordinary shares for business combination	4	23,606	—
Conversion of Senior Promissory Note		—	14,693
Conversion of deferred rental		—	980
Conversion of convertible preferred shares		—	176,084
Exercise of warrants and options		—	3,687
Initial public offering costs accrued in accrued expenses and other payables		—	166
Acquisitions of equipment included in accounts payable		1,482	319

The accompanying notes are an integral part of these condensed consolidated financial statements.

BEIGENE, LTD.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands of U.S. Dollar ("$") and Renminbi ("RMB"), except for number of shares and per share data)

(Unaudited)

1. Organization

BeiGene, Ltd. (the "Company") is a globally focused, commercial-stage biopharmaceutical company dedicated to becoming a leader in the discovery, development and commercialization of innovative, molecularly targeted and immuno-oncology drugs for the treatment of cancer. The Company's development strategy is based on a novel translational platform that combines its unique access to internal patient-derived biopsies with strong oncology biology. The Company was incorporated under the laws of the Cayman Islands as an exempted company with limited liability on October 28, 2010. The Company completed its initial public offering ("IPO") on the NASDAQ Global Select Market on February 8, 2016 and has completed subsequent follow-on public offerings and a sale of ordinary shares to Celgene Switzerland LLC ("Celgene Switzerland") in a business development transaction, as described in Note 22, *Shareholders' Equity* .

As at September 30, 2017, the Company's subsidiaries are as follows:

Name of Company	Place of Incorporation	Date of Incorporation	Percentage of Ownership by the Company	Principal Activities
BeiGene (Hong Kong) Co., Limited.("BeiGene HK")	Hong Kong	November 22, 2010	100 %	Investment holding
BeiGene (Beijing) Co., Ltd. ("BeiGene (Beijing)")	The People's Republic of China ("PRC" or "China")	January 24, 2011	100 %	Medical and pharmaceutical research
BeiGene AUS Pty Ltd.	Australia	July 15, 2013	100 %	Clinical trial activities
BeiGene 101	Cayman Islands	August 30, 2012	100 %	Medical and pharmaceutical research
BeiGene (Suzhou) Co., Ltd. ("BeiGene (Suzhou)")	PRC	April 9, 2015	100 %	Medical and pharmaceutical research
BeiGene USA, Inc.("BeiGene (USA)")	United States	July 8, 2015	100 %	Clinical trial activities
BeiGene (Shanghai) Co., Ltd. ("BeiGene (Shanghai)")	PRC	September 11, 2015	100 %	Medical and pharmaceutical research
BeiGene Biologics Co., Ltd. ("BeiGene Biologics")	PRC	January 25, 2017	95 %	Biologics manufacturing
BeiGene Guangzhou Biologics Manufacturing Co., Ltd. ("BeiGene Guangzhou Factory")	PRC	March 3, 2017	95 %	Biologics manufacturing
BeiGene (Guangzhou) Co., Ltd.	PRC	July 11, 2017	100 %	Medical and pharmaceutical research
BeiGene Pharmaceutical (Shanghai) Co., Ltd. (BeiGene Pharmaceutical (Shanghai))*	PRC	December 15, 2009	100 %	Medical and pharmaceutical consulting, marketing and promotional services
BeiGene Switzerland GmbH	Switzerland	September 6, 2017	100 %	Clinical trial activities and commercial
BeiGene Ireland Limited	Republic of Ireland	August 11, 2017	100 %	Clinical trial activities

* On August 31, 2017, BeiGene HK acquired 100% of the equity interest of Celgene Pharmaceutical (Shanghai) Co., Ltd., which has been renamed BeiGene Pharmaceutical (Shanghai) Co., Ltd.

Manufacturing facility in Guangzhou

On March 7, 2017, BeiGene HK, a wholly owned subsidiary of the Company, and Guangzhou GET Technology Development Co., Ltd. ("GET"), entered into a definitive agreement to establish a commercial scale biologics manufacturing facility in Guangzhou, Guangdong Province, PRC.

On March 7, 2017, BeiGene HK and GET entered into an Equity Joint Venture Contract (the "JV Agreement"). Under the terms of the JV Agreement, BeiGene HK agreed to make an initial cash capital contribution of RMB200,000 and a subsequent contribution of one or more biologics assets in exchange for a 95% equity interest in BeiGene Biologics. GET agreed to provide a cash capital contribution of RMB100,000 to BeiGene Biologics, representing a 5% equity interest in BeiGene Biologics. In addition, on March 7, 2017, BeiGene Biologics entered into a contract with GET, under which GET agreed to provide a RMB900,000 loan (the "Shareholder Loan") to BeiGene Biologics (see footnote 15). BeiGene Biologics is working to establish a biologics manufacturing facility in Guangzhou, through a wholly-owned subsidiary, the BeiGene Guangzhou Factory, to manufacture biologics for the Company and its subsidiaries.

On April 11, 2017, BeiGene HK, GET and BeiGene Biologics amended the JV agreement and the capital contribution agreement, among other things, to adjust the capital contribution schedules and adjust the initial term of the governing bodies and a certain management position. On April 13, 2017 and May 4, 2017, BeiGene HK made cash capital contributions of RMB137,830 and RMB2,415, respectively, into BeiGene Biologics. The remainder of the cash capital contribution from BeiGene HK to BeiGene Biologics will be paid by April 10, 2020. On April 14, 2017, GET made cash capital contributions of RMB100,000 into BeiGene Biologics. On April 14, 2017, BeiGene Biologics drew down the Shareholder Loan of RMB900,000 from GET (as further described in Note 15). As of September 30, 2017, the Company and GET held 95% and 5% equity interests in BeiGene Biologics, respectively.

As of September 30, 2017, the Company's cash and cash equivalents included $91,577 of cash held by BeiGene Biologics to be used to build the commercial scale biologics facility and to fund research and development of the Company's biologics drug candidates in China.

2. Summary of significant accounting policies

Basis of presentation and principles of consolidation

The accompanying condensed consolidated balance sheet as of September 30, 2017, the condensed consolidated statements of operations and comprehensive income (loss) for the three and nine months ended September 30, 2017 and 2016, the condensed consolidated statements of cash flows for the nine months ended September 30, 2017 and 2016, and the related footnote disclosures are unaudited. The accompanying unaudited interim financial statements were prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), including guidance with respect to interim financial information and in conformity with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for annual financial statements. These financial statements should be read in conjunction with the consolidated financial statements and related footnotes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2016 ("Annual Report").

The unaudited condensed consolidated interim financial statements have been prepared on the same basis as the annual financial statements and, in the opinion of management, reflect all normal recurring adjustments, necessary to present a fair statement of the results for the interim periods presented. Results of the operations for the three and nine months ended September 30, 2017 are not necessarily indicative of the results expected for the full fiscal year or for any future annual or interim period.

The condensed consolidated financial statements include the financial statements of the Company and its subsidiaries. All significant intercompany transactions and balances between the Company and its subsidiaries are eliminated upon consolidation.

Noncontrolling interests are recognized to reflect the portion of the equity of subsidiaries which are not attributable, directly or indirectly, to the controlling shareholders. The Company consolidates BeiGene Biologics under the voting model and recognizes GET's equity interest as a noncontrolling interest in its consolidated financial statements.

Use of estimates

The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Areas where management uses subjective judgment include, but are not limited to, estimating the useful lives of long-lived assets, estimating sales rebates and returns allowance to arrive at net product revenues, identifying separate accounting units and estimating the best estimate of selling price of each deliverable in the Company's revenue arrangements, estimating the fair value of net assets acquired in business combinations, assessing the impairment of long-lived assets, share-based compensation expenses, inventory, realizability of deferred tax assets and the fair value of financial instruments. Management bases the estimates on historical experience, known trends and various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from these estimates.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank deposits, which are unrestricted as to withdrawal and use. The Company considers all highly liquid investments with an original maturity date of three months or less at the date of purchase to be cash equivalents. Cash equivalents which consist primarily of money market funds are stated at fair value.

Accounts receivable

Trade accounts receivable are recorded at their invoiced amounts, net of allowances for doubtful accounts. An allowance for doubtful accounts is recorded when the collection of the full amount is no longer probable. In evaluating the collectability of receivable balances, the Company considers specific evidence including aging of the receivable, the customer's payment history, its current creditworthiness and current economic trends. Accounts receivable are written off after all collection efforts have ceased. No allowance for doubtful accounts was recorded as of September 30, 2017. The Company regularly reviews the adequacy and appropriateness of an allowance for doubtful accounts.

As of September 30, 2017 the Company had $10,521 in accounts receivable as a result of the sale of the Company's approved cancer therapies in the PRC, which are in-licensed from Celgene Coporation ("Celgene"), to the Company's distributors.

Inve ntory

Inventories are stated at the lower of cost and net realizable value, with cost determined on a weighted-average basis. The Company periodically analyzes its inventory levels, and writes down inventory that has become obsolete, inventory that has a cost basis in excess of its estimated realizable value and inventory in excess of expected sales requirements as cost of product sales. The determination of whether inventory costs will be realizable requires estimates by management. If actual market conditions are less favorable than projected by management, additional write-downs of inventory may be required, which would be recorded in the consolidated statements of operations.

Land use right, net

The land use right represents lease prepayments to the local Bureau of Land and Resources in Guangzhou. The land use right is carried at cost less accumulated amortization. Amortization is provided to write off the cost of lease prepayments on a straight-line basis over the shorter of the estimated usage periods or the terms of the land use, which is currently 50 years.

Business combination

The Company accounts for its business combinations using the acquisition method of accounting in accordance with ASC topic 805 ("ASC 805"): *Business Combinations* . The acquisition method of accounting requires all of the following steps: (i) identifying the acquirer, (ii) determining the acquisition date, (iii) recognizing and measuring the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree and (iv) recognizing and measuring goodwill or a gain from a bargain purchase. The consideration transferred in a business combination is measured as the aggregate of the fair values at the date of exchange of the assets given, liabilities incurred, and equity instruments issued as well as the contingent considerations and all contractual contingencies as of the acquisition date. The costs directly attributable to the acquisition are expensed as incurred. Identifiable assets, liabilities and contingent liabilities acquired or assumed are measured separately at their fair value as of the acquisition date, irrespective of the extent of any noncontrolling interests. The excess of (i) the total of cost of acquisition, fair value of the noncontrolling interests and acquisition date fair value of any previously held equity interest in the acquiree over (ii) the fair value of the identifiable net assets of the acquiree, is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated statements of operations as a gain.

The Company allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. Significant estimates in valuing certain intangible assets may include, but are not limited to, future expected cash flows from acquired assets, timing and probability of success of clinical events and regulatory approvals, and assumptions on useful lives and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates.

Goodwill and other intangible assets

Goodwill is as asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. The Company allocates the cost of an acquired entity to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. The excess of the purchase price for acquisitions over the fair value of the net assets acquired, including other intangible assets, is recorded as goodwill. Goodwill is not amortized, but is tested for impairment at least annually or more frequently if events or changes in circumstances would indicate a potential impairment.

For its goodwill impairment analysis, the Company operates with a single reporting unit. The Company tests goodwill for impairment on the last day of each fiscal year and whenever events or changes in circumstances indicate that the carrying amount of the reporting unit may exceed its fair value. The Company first assesses the qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount, including goodwill, and performs a quantitative assessment if it is determined that it is more likely than not that the fair value of the reporting unit is less than its carrying amount. Under the quantitative test, if the carrying amount of the reporting unit exceeds its fair value, an impairment loss is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit. The Company has an unconditional option to bypass the qualitative assessment and proceed directly to performing the quantitative goodwill impairment test.

Intangible assets acquired through business acquisitions are recognized as assets separate from goodwill and are measured at fair value upon acquisition. Acquired identifiable intangible assets consist of the distribution rights with respect to approved cancer therapies licensed from Celgene, ABRAXANE®, REVLIMID®, and VIDAZA®, and its investigational agent CC-122 and are amortized on a straight-line basis over the estimated useful lives of the assets, which are 10 years.

Intangible assets with finite useful lives are tested for impairment when events or circumstances occur that could indicate that the carrying amount of an asset may not be recoverable. When these events occur, the Group evaluates the recoverability of the intangible assets by comparing the carrying amount of the assets to the future undiscounted cash flows expected to result from the use of the assets and their eventual disposition. If the sum of the expected undiscounted cash flows is less than the carrying amount of the assets, the Group recognizes an impairment loss based on the excess of the carrying amount of the assets over their fair value. Fair value is generally determined by discounting the cash flows expected to be generated by the assets, when the market prices are not readily available.

Revenue recognition

Product revenue

Revenues from product sales are recognized when persuasive evidence of an arrangement exists, delivery has occurred and title of the product and associated risk of loss has transferred to the customer, the price is fixed or determinable, collection from the customer has been reasonably assured, all performance obligations have been met, and returns and allowances can be reasonably estimated. Product sales are recorded net of estimated rebates , estimated product returns and other deductions. Provisions for estimated reductions to revenue are provided for in the same period the related sales are recorded and are based on the sales terms, historical experience and trend analysis.

Rebates are offered to distributors, consistent with pharmaceutical industry practices. The Company records a provision for rebates at the time of sale based on contracted rates and historical redemption rates. Assumptions used to establish the provision include the level of distributor inventories, sales volumes and contract pricing and estimated acceptance of government pricing or reimbursement amounts (such as provincial acceptance of the National Reimbursement Drug List ("NRDL") pricing in the PRC). The Company regularly reviews the information related to these estimates and adjust the provision accordingly.

The Company bases its sales returns allowance on estimated distributor inventories, customer demand as reported by third party sources, and actual returns history, as well as other factors, as appropriate. If the historical data the Company uses to calculate these estimates do not properly reflect future returns, then a change in the allowance would be made in the period in which such a determination is made and revenues in that period could be materially affected. Any changes from the historical trend rates are considered in determining the current sales return allowance.

Collaboration revenue

The Company recognizes revenues from research and development collaborative arrangements when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the fee is fixed or determinable, and there is reasonable assurance that the related amounts are collectible in accordance with ASC 605, Revenue Recognition, or ASC 605. The Company's collaborative arrangements may contain multiple elements, including grants of licenses to intellectual property rights, agreement to provide research and development services and other deliverables. The deliverables under such arrangements are evaluated under ASC 605-25, Multiple-Element Arrangements. Pursuant to ASC 605-25, each required deliverable is evaluated to determine whether it qualifies as a separate unit of accounting based on whether the deliverable has "stand-alone value" to the customer. The collaborative arrangements do not include a right of return for any deliverable. The arrangement's consideration that is fixed or determinable, excluding contingent payments, is then allocated to each separate unit of accounting based on the relative selling price of each deliverable. The relative selling price for each deliverable is determined using vendor specific objective evidence, or VSOE, of selling price or third-party evidence, or TPE, of selling price if VSOE does not exist. If neither VSOE nor TPE exists, the Company uses the best estimate of the selling price ("BESP") for the deliverable. In general, the consideration allocated to each unit of accounting is recognized as the related goods or services are delivered, limited to the consideration that is not contingent upon future deliverables. Non-refundable payments received before all of the relevant criteria for revenue recognition are satisfied are recorded as advances from customers.

Upfront non-refundable payments for licensing our intellectual property are evaluated to determine if the licensee can obtain stand-alone value from the license separate from the value of the research and development services and other deliverables in the arrangement to be provided by the Company. The Company acts as the principal under its arrangements and licensing intellectual property is part of its ongoing major or central operations. The license right is not contingent upon the delivery of additional items or meeting other specified performance conditions. Therefore, when stand-alone value of the license is determinable, the allocated consideration is recognized as collaboration revenue upon delivery of the license rights.

As the Company acts as the principal under its arrangements, and research and development services are also part of its ongoing major or central operations, it recognize the allocated consideration related to reimbursements of research and development costs as collaboration revenue when delivery or performance of such services occurs.

Product development, royalties and commercial event payments, collectively referred to as target payments, under collaborative arrangements are triggered either by the results of our research and development efforts, achievement of regulatory goals or by specified sales results by a third-party collaborator. Under ASC 605-28, Milestone Method of Revenue Recognition, an accounting policy election can be made to recognize a payment that is contingent upon the achievement of a substantive milestone in its entirety in the period in which the milestone is achieved. The Company elected not to adopt the milestone method of revenue recognition under ASC 605-28.

Targets related to the Company's development-based activities may include initiation of various phases of clinical trials and applications and acceptance for product approvals by regulatory agencies. Due to the uncertainty involved in meeting these development-based targets, the Company would account for development-based targets as collaboration

revenue upon achievement of the respective development target. Royalties based on reported sales of licensed products will be recognized as collaboration revenue based on contract terms when reported sales are reliably measurable and collectability is reasonably assured. Targets related to commercial activities may be triggered upon events such as first commercial sale of a product or when sales first achieve a defined level. Since these targets would be achieved after the completion of our development activities, the Company would account for the commercial event targets in the same manner as royalties, with collaboration revenue recognized upon achievement of the target.

Fair value measurements

Fair value of financial instruments

Financial instruments of the Company primarily include cash and cash equivalents, short-term investments, accounts receivable, long-term bank loan, Shareholder Loan and accounts payable. As of September 30, 2017 and December 31, 2016, the carrying values of cash and cash equivalents, accounts receivable and accounts payable approximated their fair values due to the short-term maturity of these instruments. The short-term investments represented the available-for-sale debt securities and time deposits. The available-for-sale debt securities are recorded at fair value based on quoted prices in active markets with unrealized gain or loss recorded in other comprehensive income or loss. The long-term bank loan and Shareholder Loan approximate their fair values due to the fact that the related interest rates approximate the rates currently offered by financial institutions for similar debt instruments of comparable maturities. The warrants issued prior to the IPO relating to the convertible promissory notes and the option to purchase shares by rental deferral were exercised in January 2016 and February 2016. The Company determined the exercise date fair value of the warrants and option using the intrinsic value, which equals to the difference between the share price at the IPO closing date and the exercise price, as the exercise dates were immediately prior to or very close to the IPO closing date.

The Company applies ASC topic 820 ("ASC 820"), *Fair Value Measurements and Disclosures,* in measuring fair value. ASC 820 defines fair value, establishes a framework for measuring fair value and requires disclosures to be provided on fair value measurement. ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.

Level 3 - Unobservable inputs which are supported by little or no market activity.

ASC 820 describes three main approaches to measuring the fair value of assets and liabilities: (1) market approach; (2) income approach and (3) cost approach. The market approach uses prices and other relevant information generated from market transactions involving identical or comparable assets or liabilities. The income approach uses valuation techniques to convert future amounts to a single present value amount. The measurement is based on the value indicated by current market expectations about those future amounts. The cost approach is based on the amount that would currently be required to replace an asset.

Financial instruments measured at fair value on a recurring basis

The following tables set forth assets and liabilities measured at fair value on a recurring basis as of September 30, 2017 and December 31, 2016:

As of September 30, 2017	Quoted Price in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	$	$	$
Short-term investment (note 5):			
U.S. Treasury securities	498,864	—	—
Time deposits	50,061	—	—
Cash equivalents:			
Money market funds	51,928	—	—
Total	600,853	—	—

As of December 31, 2016	Quoted Price in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	$	$	$
Short-term investment (note 5):			
U.S. Treasury securities	280,660	—	—
Cash equivalents:			
Money market funds	44,052	—	—
Total	324,712	—	—

Recent accounting pronouncements

In August 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update ("ASU") No. 2015-14, Revenue from Contracts with Customers-Deferral of the Effective Date ("ASU 2015-14"). The amendments in ASU 2015-14 defer the effective date of ASU No. 2014-09, Revenue from Contracts with Customers ("ASU 2014-09"), issued in May 2014. According to the amendments in ASU 2015-14, the new revenue guidance in ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. In March 2016, the FASB issued ASU No. 2016-08, Revenue from Contracts with Customers - Principal versus Agent Considerations ("ASU 2016-08"), which clarifies the implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU No. 2016-10, Revenue from Contracts with Customers - Identifying Performance Obligations and Licensing ("ASU 2016-10"), which clarify guidance related to identifying performance obligations and licensing implementation guidance contained in ASU No. 2014-09. In May 2016, the FASB issued ASU No. 2016-12 , Revenue from Contracts with Customers - Narrow-Scope Improvements and Practical Expedients ("ASU 2016-12"), which addresses narrow-scope improvements to the guidance on collectability, non-cash consideration, and completed contracts at transition and provides practical expedients for contract modifications at transition and an accounting policy election related to the presentation of sales taxes and other similar taxes collected from customers. The effective date for the amendment in ASU 2016-08, ASU 2016-10 and ASU 2016-12 are the same as the effective date of ASU No. 2014-09. The Company anticipates adopting the new standard under the modified retrospective approach, effective January 1, 2018. The Company is continuing to assess the potential impact that ASC 606 may have on its financial position and results of operations as it relates to its collaboration agreements with Celgene and Merck KGaA, Darmstadt Germany. The Company expects that certain of its accounting conclusions will require further judgment. Further, the Company is continuing to analyze the potential impacts of the adoption of the new standard on its condensed consolidated financial

statements and related disclosures. While the Company is still in the process of evaluating the impact of adoption on its existing collaboration agreements, the Company currently believes that the impact of adoption of the new standard to its financial statements will not be material. The Company will also continue to monitor additional modifications, clarifications or interpretations undertaken by the FASB that may impact its current conclusions, and will expand its analysis to include any new revenue arrangements initiated prior to adoption.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* , which requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the balance sheet. This standard also requires additional disclosures by lessees and contains targeted changes to accounting by lessors. The updated guidance is effective for interim and annual periods beginning after December 15, 2018, and early adoption is permitted. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from previous GAAP. The Company is currently evaluating the financial statement impact of adoption.

In October 2016, the FASB issued ASU No. 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory* , which requires the recognition of the income tax consequences of an intra-entity transfer of an asset, other than inventory, when the transfer occurs. The Company will adopt ASU 2016-16 in its first quarter of 2018 utilizing the modified retrospective adoption method. The ultimate impact of adopting ASU 2016-16 will depend on the balance of intellectual property transferred between its subsidiaries as of the adoption date. The Company will recognize incremental deferred income tax expense thereafter as these deferred tax assets are utilized.

In January 2017, the FASB issued ASU No. 2017-01, *Business Combinations: Clarifying the Definition of a Business.* The new standard requires an entity to evaluate if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets; if so, the set would not be considered a business. The new standard also requires a business to include at least one substantive process and narrows the definition of outputs. The new standard is effective for interim and annual periods beginning on January 1, 2018, and may be adopted earlier. The Company elected to early adopt the updated guidance. The standard is applied prospectively to any transaction occurring on or after the adoption date. The Company evaluated the acquisition of 100% of the equity interests of Celgene Pharmaceutical (Shanghai) Co., Ltd. (“Celgene Shanghai”) under the new guidance, and determined that the transaction represents a business combination, as disclosed further in Note 4.

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles – Goodwill and Other: Simplifying the Test for Goodwill Impairment.* This ASU simplifies the test for goodwill impairment by removing Step 2 from the goodwill impairment test. Companies will now perform the goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount, recognizing an impairment charge for the amount by which the carrying amount exceeds the reporting unit’s fair value not to exceed the total amount of goodwill allocated to that reporting unit. An entity still has the option to perform the qualitative assessment for a reporting unit to determine if the quantitative impairment test is necessary. The amendments in this update are effective for goodwill impairment tests in fiscal years beginning after December 15, 2019, with early adoption permitted for goodwill impairment tests performed after January 1, 2017. The Company elected to early adopt this ASU, and there was no material impact to the Company’s consolidated financial statements.

In May 2017, the FASB issued ASU No. 2017-09, *Compensation – Stock Compensation: Scope of Modification Accounting* . This standard provides clarity and reduces both (1) diversity in practice and (2) cost and complexity when applying the guidance in Topic 718, Compensation-Stock Compensation, to a change to the terms or conditions of a share-based payment award. The updated guidance is effective for interim and annual periods beginning after December 15, 2017, and early adoption is permitted. This ASU is not expected to have a material impact on the Company’s consolidated financial statements.

3. Research and development collaborative arrangements

To date, the Company’s collaboration revenue has consisted of 1) upfront license fees from its collaboration agreement with Celgene on the Company’s investigational anti-programmed cell death protein1 (“PD-1”) inhibitor,

BGB-A317 and 2) upfront license fees, reimbursed research and development expenses and milestone payments from its collaboration agreement with Merck KGaA, Darmstadt Germany on BGB-290 and BGB-283.

Celgene and Celgene Switzerland

On July 5, 2017, the Company entered into a license agreement with Celgene Switzerland pursuant to which the Company granted to the Celgene parties an exclusive right to develop and commercialize the Company's PD-1 inhibitor, BGB-A317, in all fields of treatment, other than hematology, in the United States, Europe, Japan and the rest of world other than Asia (the "PD-1 License Agreement"). In connection with the closing of the transactions on August 31, 2017, the Company, Celgene and Celgene Switzerland amended and restated the PD-1 License Agreement (the "A&R PD-1 License Agreement") to, among other things, clarify the parties' responsibilities relating to the conducting and funding of certain global registration clinical trials and clarify the scope of the regulatory materials transferred by BeiGene to Celgene.

Under the terms of the A&R PD-1 License Agreement, Celgene agreed to pay the Company $263,000 in upfront non-refundable license fees, of which $92,050 was paid in the third quarter of 2017 and the remaining $170,950 is due in December 2017. In addition, subsequent to the completion of the research and development phase of the collaboration, the Company may be eligible to receive product development milestone payments based on the successful achievement of development and regulatory goals, commercial milestone payments based on the successful achievement of commercialization goals, and royalty payments based on a predetermined percentage of Celgene and Celgene Switzerland's aggregate annual net sales of all products in their territory for a period not to exceed the latest of the expiration of the last valid patent claim, the expiration of regulatory exclusivity or 12 years from the date of the first commercial sale on a product-by-product and country-by-country basis. The Company allocated the $13,000 of upfront fees to the fair value of assets related to the Company's acquisition of Celgene Shanghai, a wholly-owned subsidiary of Celgene Holdings East Corporation established under the laws of China, that was completed contemporaneously with the A&R PD-1 License Agreement.

In addition to the exclusive right to develop and commercialize BGB-A317, the terms of the A&R PD-1 License Agreement provide Celgene with the right to collaborate with the Company on the development of BGB-A317 for specified indications, including required participation on a joint development committee and a joint steering committee as well as a joint commercialization committee upon achievement of commercialization. The joint development and joint steering committees are formed by an equal number of representatives from the Company and Celgene and are responsible for reviewing and approving the development plan and budget for the development of BGB-A317 for clinical studies associated with specified indications. Celgene will reimburse the Company for certain research and development costs at a cost plus agreed upon markup for the development of BGB-A317 related to the clinical trials that Celgene opts into, as outlined in the development plan.

Under ASC 605, the Company identified the following deliverables of the collaboration agreement with stand-alone value, which are accounted for as separate units of accounting: (a) the license provided to Celgene for the exclusive right to develop and commercialize BGB-A317, in all fields of treatment, other than hematology, in the United States, Europe, Japan and the rest of world other than Asia ("the license"); and (b) the research and development services provided to Celgene to develop BGB-A317 within specified indications ("R&D services"). For each deliverable, the Company determined the BESP and allocated the non-contingent consideration of $250,000 to the units of accounting using the relative selling price method. The consideration allocated to the license was recognized upon transfer of the license to Celgene at contract inception and the consideration allocated to the R&D services will be recognized over the term of the respective clinical studies for the specified indications.

For the payments associated with the defined developmental, regulatory, and commercialization goals, the Company determined that upon achievement of the developmental, regulatory, and commercialization goals, such payments will be allocated to the separate deliverables using the initial allocation based on the relative selling price method. Further, the sales-based milestones and royalty payments will be recognized when reported sales are reliably measurable and collectability is reasonably assured.

For the three and nine months ended September 30, 2017, the Company recognized $211,391 as license revenue within collaboration revenue in the Company's condensed consolidated statements of operations. The consideration allocated to the R&D services, $38,609, is recorded as deferred revenue in balance sheet as of September 30, 2017 and will be recognized over the term of the respective clinical studies for the specified indications.

Merck KGaA, Darmstadt Germany

In March 2017, the Company regained the worldwide rights to BGB-283 after Merck KGaA, Darmstadt Germany informed the Company that it would not exercise a continuation option under the parties' collaboration agreement, and thus, that agreement has terminated in its entirety, except for certain provisions that will survive the termination.

Revenue recognized in the three and nine months ended September 30, 2016, was related to Phase 1 research and development fees from the Company's BRAF inhibitor, in accordance with the collaboration agreement with Merck KGaA Darmstadt Germany. Phase 1 services were completed by mid-2016 and as a result, all of the advance payments received from the collaboration have been recognized. For the three and nine months ended September 30, 2017, the company did not recognize any research and development revenue, and for the three and nine months ended September 30, 2016, the Company recognized nil and $1,070, respectively, as research and development revenue within collaboration revenue in the Company's condensed consolidated statements of operations.

The following table summarizes the components of total collaboration revenue recognized for the three and nine months ended September 30, 2017 and 2016:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	$	$	$	$
License revenue	211,391	—	211,391	—
Research and development revenue	—	—	—	1,070
Total	211,391	—	211,391	1,070

4. Business Combination

On August 31, 2017, BeiGene HK acquired 100% of the equity interests of Celgene Shanghai, a wholly-owned subsidiary of Celgene Holdings East Corporation established under the laws of the PRC. Celgene Shanghai is in the business of, among other things, providing marketing and promotional services in connection with certain pharmaceutical products manufactured by Celgene. The name of Celgene Shanghai has been changed to BeiGene Pharmaceutical (Shanghai).

On July 5, 2017, BeiGene and a wholly-owned subsidiary of Celgene, Celgene Logistics Sàrl ("Celgene Logistics"), entered into a license agreement pursuant to which BeiGene has been granted the right to exclusively distribute and promote Celgene's approved cancer therapies, ABRAXANE®, REVLIMID®, and VIDAZA®, and its investigational agent CC-122 in clinical development (the "Distribution Rights"), in China excluding Hong Kong, Macau and Taiwan (the "Chinese License Agreement"). The China License Agreement became effective on August 31, 2017 contemporaneously with the closing of the acquisition of Celgene Shanghai and the A&R PD-1 License Agreement.

The Company evaluated the acquisition of the Celgene Shanghai equity and the distribution rights acquired under ASU No. 2017-01, *Business Combinations: Clarifying the Definition of a Business* . Because substantially all of the value of the acquisition did not relate to a similar group of assets and the business contained both inputs and processes necessary to manage products and provide economic benefits directly to its owners, it was determined that the acquisition represents a business combination. Therefore, the transaction has been accounted for using the acquisition method of accounting. This method requires that assets acquired and liabilities assumed in a business combination be recognized at their fair values as of the acquisition date.

Share Subscription Agreement

On August 31, 2017, the Company closed the sale of 32,746,416 of its ordinary shares to Celgene Switzerland for an aggregate cash price of $150,000, or $4.58 per ordinary share, or $59.55 per ADS, pursuant to the Share Subscription Agreement dated July 5, 2017 by and between BeiGene and Celgene Switzerland (the "Share Subscription Agreement"). See Note 22 for further description of the Share Subscription Agreement.

Determination of Purchase Price

The purchase price of Celgene Shanghai is calculated as $28,138, and is comprised of cash consideration of $4,532 and non-cash consideration of $23,606, related to the discount on ordinary shares issued to Celgene in connection with the Share Subscription Agreement. The discount was a result of the increase in fair value of the Company's shares between the fixed price of $59.55 per ADS in the Share Subscription Agreement and the fair value per ADS as of August 31, 2017. The following summarizes the purchase price in the business combination (in thousands).

	Purchase Price
Cash paid to acquire Celgene Shanghai	$ 4,532
Discount on Share Subscription Agreement	23,606
Total purchase price	$ 28,138

Purchase Price Allocation

The following table summarized the estimated fair values of assets acquired and liabilities assumed (in thousands):

	Amount
Cash and cash equivalents	$ 24,448
Other current assets	518
Property and equipment, net	204
Intangible assets	7,500
Deferred tax asset	1,069
Total identifiable assets	33,739
Current liabilities	(5,710)
Deferred tax liability	(1,875)
Total liabilities assumed	(7,585)
Goodwill	1,984
Total fair value of consideration transferred	$ 28,138

The Company's accounting for this acquisition is preliminary. The fair value estimates for the assets acquired and liabilities assumed are subject to change as additional information becomes available concerning the fair value and tax basis of the assets acquired and liabilities assumed. Any additional adjustments to the purchase price allocation will be made as soon as practicable but no later than one year from the date of acquisition. The goodwill resulting from the business combination is primarily attributable to the assembled workforce of the acquired business. The goodwill attributable to the business combination is not deductible for tax purposes.

The following summarizes the business combination as presented on the statement of cash flows (in thousands):

Investing activities		
Cash acquired	$	24,448
Cash paid to acquire Celgene Shanghai		(4,532)
Cash acquired in business combination, net of cash paid	$	19,916
Non-cash activities		
Discount provided on sale of ordinary shares for business combination	$	(23,606)

5. Short-term investments

Short-term investments as of September 30, 2017 consisted of the following available-for-sale debt securities and time deposits:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value (Net Carrying Amount)
	$	$	$	$
U.S. Treasury securities	498,905	—	41	498,864
Time deposits	50,061	—	—	50,061
Total	548,966	—	41	548,925

Short-term investments as of December 31, 2016 consisted of the following available-for-sale debt securities:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value (Net Carrying Amount)
	$	$	$	$
U.S. Treasury securities	280,757	—	97	280,660
Total	280,757	—	97	280,660

Contractual maturities of all debt securities as of September 30, 2017 were within one year. The Company does not consider the investment in U.S. Treasury securities to be other-than-temporarily impaired at September 30, 2017. The cost of securities sold is based on the specific identification method .

6. Inventories

The Company’s inventory balance of $5,712 as of September 30, 2017 consisted entirely of finished goods product purchased from Celgene for distribution in the PRC.

7. Property and equipment

Property and equipment consisted of the following:

	As of	
	September 30, 2017	December 31, 2016
	$	$
Laboratory equipment	14,612	7,536
Manufacturing equipment	13,380	—
Leasehold improvements	12,758	9,446
Electronic equipment	1,234	647
Office equipment	1,135	449
Computer software	713	317
Property and equipment, at cost	43,832	18,395
Less accumulated depreciation	(12,535)	(7,473)
Construction in progress	24,025	15,055
Property and equipment, net	55,322	25,977

Construction in progress as of September 30, 2017 of $24,025 primarily relates to the buildout of the Guangzhou manufacturing facility. Construction in progress as of December 31, 2016 primarily related to the BeiGene Suzhou manufacturing and laboratory facility that was put into service in the third quarter of 2017. In the three months ended September 30, 2017, assets totaling $21,400 related to the Suzhou facilities were transferred to laboratory equipment, manufacturing equipment and leasehold improvements from construction in progress. Depreciation expense for the three and nine months ended September 30, 2017 was $1,237 and $2,641, respectively. Depreciation expense for the three and nine months ended September 30, 2016 was $505 and $1,436, respectively.

8. Land use right, net

The land use right represents the land acquired for the purpose of constructing and operating the biologics manufacturing facility in Guangzhou. In 2017, the Company acquired the land use right from the local Bureau of Land and Resources in Guangzhou. The land use right is amortized over the remaining term of the right. The land use right asset as of September 30, 2017 and December 31, 2016 is summarized as follows:

	As of	
	September 30, 2017	December 31, 2016
	$	$
Land use right, cost	12,354	—
Accumulated amortization	(103)	—
Land use right, net	12,251	—

Amortization expense of the land use right for the three and nine months ended September 30, 2017 was $103, which was charged to construction in process. Amortization expense of the land use right for the three and nine months ended September 30, 2016 was nil.

As of September 30, 2017, expected amortization expense for the land use right is approximately $62 for the remainder of 2017, $247 in 2018, $247 in 2019, $247 in 2020, $247 in 2021 and $11,201 in 2022 and thereafter.

9. Intangible assets and Goodwill

Intangible assets outstanding as of September 30, 2017 and December 31, 2016 are summarized as follows:

	September 30, 2017			December 31, 2016		
	Gross carrying amount	Accumulated amortization	Intangible assets, net	Gross carrying amount	Accumulated amortization	Intangible assets, net
Finite-lived intangible assets:						
Product distribution rights	7,500	(63)	7,437	—	—	—
Total finite-lived intangible assets	7,500	(63)	7,437	—	—	—

Product distribution rights consist of distribution rights on the approved cancer therapies licensed from Celgene, ABRAXANE®, REVLIMID®, and VIDAZA®, and its investigational agent CC-122 acquired as part of the Celgene transaction.

Amortization expense for the three and nine months ended September 30, 2017 was $63 and $63, respectively.

As of September 30, 2017, expected amortization expense for the unamortized finite-lived intangible assets is approximately $188 for the remainder of 2017, $750 in 2018, $750 in 2019, $750 in 2020, $750 in 2021, and $4,249 in 2022 and thereafter.

Goodwill

The changes in the carrying amount of goodwill in the nine months ended September 30, 2017 were as follows:

	$
Balance as of December 31, 2016	—
Goodwill related to acquisition of the Celgene Shanghai business	1,984
Foreign currency translation adjustments	—
Balance as of September 30, 2017	1,984

10. Income taxes

Income tax benefit was $3,061 and $2,680, respectively, for the three and nine months ended September 30, 2017. Income tax expense was $127 and $306, respectively, for the three and nine months ended September 30, 2016. The income tax benefit for the three months ended September 30, 2017 was primarily attributable to the effect of estimated realized research and development tax credits and the U.S. Orphan Drug Credit.

As of September 30, 2017, the Company had a net liability for unrecognized tax benefits included in the balance sheet of $634. We recognize interest and, if applicable, penalties related to unrecognized tax benefits in the provision for income taxes. We believe we have appropriately provided for all tax uncertainties.

The Company recorded a full valuation allowance against deferred tax assets related to net operating losses and other deductible temporary differences in all of its subsidiaries, except for BeiGene (USA) and BeiGene Pharmaceutical (Shanghai). As of September 30, 2017, deferred tax assets of $7,684 were primarily related to deductible temporary differences on share-based compensation expense, depreciation and accruals and deferred tax liabilities of $1,859 were primarily related to deductible temporary differences on intangible assets acquired in the business combination. In the nine months ended September 30, 2017, income tax benefit was comprised of a deferred tax benefit of $5,871 and tax expense of $3,191. Taxes payable totaled $2,852 and $804 as of September 30, 2017 and December 31, 2016, respectively.

The Company conducts business in a number of tax jurisdictions and, as such, are required to file income tax returns in multiple jurisdictions globally. The years 2015 and 2016 remain open for examination by the United States Internal Revenue Service and the years 2010 through 2016 remain open for examination in the various states and non-US tax jurisdictions in which the Company file tax returns.

11. Accrued expenses and other payables

Accrued expenses and other payables consisted of the following:

	As of	
	September 30, 2017	December 31, 2016
	$	$
Compensation related	9,342	3,980
External research and development activities related	25,267	14,198
Sales rebates and returns related	1,697	—
Professional fees and other	10,685	4,119
Total accrued expenses and other payables	46,991	22,297

12. Warrants and option liabilities

Option to purchase shares by rental deferral

On September 1, 2012, in conjunction with a lease agreement of one of its premises, the Company granted the landlord an option to purchase the Company's ordinary shares (the "Option") in exchange for the deferral of the payment of one year's rental expense. The Option was a freestanding instrument and was recorded as liability in accordance with ASC 480, *Distinguishing Liabilities from Equity* . The Option was initially recognized at fair value with subsequent changes in fair value recorded in losses. Prior to the Company's IPO, the Company determined the fair value of the Option with the assistance of an independent third party valuation firm. On February 8, 2016, immediately prior to the Company's IPO, the landlord exercised the Option to purchase 1,451,586 ordinary shares of the Company. As the exercise date was the IPO closing date, the exercise date fair value of the Option of $2,540 was determined based on its intrinsic value, which equaled the difference between the share price at the IPO closing date and the exercise price of such purchased ordinary shares. During the three and nine months ended September 30, 2016, the Company recognized a loss from the increase in fair value of the Option of nil and $1,151, respectively.

Warrants in connection with the promissory notes

During the years ended December 31, 2012 to 2014, the Company entered into agreements with several investors to issue convertible promissory notes, and related warrants to purchase the Company's preferred shares up to 10% of the convertible promissory notes' principal amount concurrently, for an aggregate principal amount of $2,410. The warrants were freestanding instruments and were recorded as liabilities in accordance with ASC480. The warrants were initially recognized at fair value with subsequent changes in fair value recorded in losses. In January 2016 and February 2016, the warrants issued in connection with the promissory notes were exercised for 621,637 Preferred Shares, which shares were converted into 621,637 ordinary shares at the time of the IPO. As the exercise dates were very close to the IPO closing date, the respective exercise date fair value of the warrants of $1,148 was determined based on the intrinsic value, which equaled the difference between the share price at the IPO closing date and the exercise price of the issued warrants.

For the three and nine months ended September 30, 2016, the Company recognized a loss from the increase in fair value of the warrants of nil and $363 , respectively.

13. Short-term loan

On March 28, 2017, BeiGene Biologics borrowed a RMB denominated short-term loan with a principal amount of $2,470 from GET. The loan was interest-free and was a temporary borrowing for the payment of a land auction deposit. The land was expected to be acquired for building the biologics manufacturing facility in Guangzhou. On April 14, 2017, the short-term loan was fully settled.

14. Long-term bank loan

On September 2, 2015, BeiGene (Suzhou) entered into a loan agreement with Suzhou Industrial Park Biotech Development Co., Ltd. and China Construction Bank to borrow $18,036 at a 7% fixed annual interest rate. As of September 30, 2017, the Company has drawn down the entire $18,036, which is secured by BeiGene (Suzhou)'s equipment with a carrying amount of $23,263 and the Company's rights to a PRC patent on a drug candidate. The loan principal amounts of $9,018 and $9,018 are repayable on September 30, 2018 and 2019, respectively. Interest expense recognized for the three and nine months ended September 30, 2017 amounted to $321 and $936, respectively.

15. Shareholder Loan

On March 7, 2017, BeiGene Biologics entered into the Shareholder Loan Contract with GET, pursuant to which GET agreed to provide a shareholder loan of RMB900,000 to BeiGene Biologics. The Shareholder Loan has a conversion feature, settled in a variable number of shares of common stock upon conversion (the "debt-to-equity conversion"). On April 14, 2017, BeiGene Biologics drew down the entire Shareholder Loan of RMB900,000 from GET.

Key features of the Shareholder Loan

The Shareholder Loan bears interest at a fixed rate of 8% per annum and compounding interest shall not apply. No accrued interest is due and payable prior to the repayment of the principal or the debt-to-equity conversion. The term of the Shareholder Loan is 72 months, commencing from the actual drawdown date of April 14, 2017 and ending on April 13, 2023, unless converted earlier.

The Shareholder Loan can only be used for BeiGene Biologics, including the construction and operation of the biologics manufacturing facility and research and development and clinical trials to be carried out by BeiGene Biologics. If BeiGene Biologics does not use the Shareholder Loan proceeds for the specified purposes, GET may be entitled to certain liquidated damages. In the event of an early termination of the JV Agreement, the Shareholder Loan will become due and payable at the time of termination of the JV Agreement.

The Shareholder Loan may be repaid or converted, either partially or in full, to an additional mid-single digit percentage equity interest in BeiGene Biologics prior to its maturity date, pursuant to the terms of the JV Agreement. BeiGene Biologics has the right to make early repayment at any time; provided, however, that if repayment is to occur before the debt-to-equity conversion it would require written approval of both BeiGene Biologics and GET. Upon conversion of the shareholder loan, GET will receive an additional equity interest in BeiGene Biologics, which will be based on the formula outlined in the JV Agreement.

Accounting for the Shareholder Loan

The Shareholder Loan is classified as a long-term liability and initially measured at the principal of RMB900,000. Interest will be accrued based on the interest rate of 8% per annum. As the Shareholder Loan may be share-settled by a number of shares with a fair value equal to a fixed settlement amount, the settlement is not viewed as a conversion feature, but as a redemption feature because the settlement amount does not vary with the share price. This in-substance redemption feature does not require bifurcation because it is clearly and closely related to the debt host that does not involves a substantial premium or discount. Since there is no conversion feature embedded in the Shareholder Loan, no beneficial conversion feature was recorded. There are no other embedded derivatives that are required to be bifurcated.

The portion of interest accrued on the Shareholder Loan related to borrowings used to construct the BeiGene factory in Guangzhou is being capitalized in accordance with ASC 835-20, *Interest – Capitalization of Interest.*

For the three and nine months ended September 30, 2017, total interest expense generated from the Shareholder Loan was $2,690 and $4,929, respectively, among which, $125 and $129 were capitalized, respectively.

16. Related party balances and transactions

During the three and nine months ended September 30, 2017, a shareholder, who is also a director, provided consulting services to the Company at a fee of $25 and $75, respectively. During the three and nine months ended September 30, 2016, a shareholder, who is also a director, provided consulting services to the Company at a fee of $25 and $75, respectively.

17. Product revenue, net

The Company's product sales are derived from the sale of ABRAXANE® and REVLIMID®, in China under a distribution license from Celgene. The table below presents the Company's net product sales for the three and nine months ended September 30, 2017 and 2016.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	$	$	$	$
Product revenue - gross	10,521	—	10,521	—
Less: Rebate and sales return	(1,699)	—	(1,699)	—
Product revenue - net	8,822	—	8,822	—

18. Net income/(loss) per share

Net income/(loss) per share was calculated as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	$	$	$	$
Basic net income/(loss) per share				
Numerator:				
Net income/(loss) attributable to BeiGene, Ltd. ordinary shareholder	117,386	(35,494)	6,218	(81,619)
Denominator:				
Weighted average shares outstanding	547,546,656	428,137,509	527,329,985	383,472,372
Basic net income/(loss) per share	0.21	(0.08)	0.01	(0.21)
Diluted net income/(loss) per share				
Numerator:				
Net income/(loss) attributable to BeiGene, Ltd. ordinary shareholder	117,386	(35,494)	6,218	(81,619)
Denominator:				
Number of shares used in basic computation	547,546,656	428,137,509	527,329,985	383,472,372
Weighted average effect of dilutive shares:				
Employee stock options and restricted stock units	51,838,863	—	32,802,202	—
Non-employee stock options	1,227,161	—	1,105,631	—
Number of shares used in per share computation	600,612,680	428,137,509	561,237,818	383,472,372
Diluted net income/(loss) per share	0.20	(0.08)	0.01	(0.21)

For the three and nine months ended September 30, 2017, basic net income per share was computed using the weighted-average number of ordinary shares outstanding during the period. Diluted net income per share was computed using the weighted-average number of ordinary shares and the effect of potentially dilutive shares outstanding during the periods. Potentially dilutive shares consist of stock options and restricted stock units. The dilutive effect of outstanding stock options and restricted stock units is reflected in diluted net income per share by application of the treasury stock method.

For the three and nine months ended September 30, 2016, the computation of basic earnings /(loss) per share using the two-class method was not applicable as the Company was in a net loss position.

The effects of all share options and restricted shares were excluded from the calculation of diluted earnings per share as their effect would have been anti-dilutive during the three months ended September 30, 2016. The effects of all convertible preferred shares, share options, restricted shares, warrants and options to purchase ordinary or preferred shares were excluded from the calculation of diluted earnings per share as their effect would have been anti-dilutive during the nine months ended September 30, 2016.

19. Share-based compensation

2016 Share Option and Incentive Plan

On January 14, 2016, in connection with the IPO, the board of directors and shareholders of the Company approved the 2016 Share Option and Incentive Plan (the "2016 Plan"), which became effective on February 2, 2016. The Company initially reserved 65,029,595 ordinary shares for the issuance of awards under the 2016 Plan, plus any shares available under the 2011 Option Plan (the "2011 Plan"), and not subject to any outstanding options as of the effective date of the 2016 Plan, along with underlying share awards under the 2011 Plan that are cancelled or forfeited without issuance of ordinary shares. As of September 30, 2017, ordinary shares cancelled or forfeited under the 2011 Plan that were provided back to the 2016 Plan totaled 4,857,136. The 2016 Plan provides for an annual increase in the shares available for issuance, to be added on the first day of each fiscal year, beginning on January 1, 2017 and continuing until the expiration of the 2016 Plan, equal to the lesser of (i) five percent (5%) of the outstanding shares of the Company's ordinary shares on the last day of the immediately preceding fiscal year or (ii) such number of shares determined by the Company's board of directors or the compensation committee. On January 1, 2017, 25,791,680 ordinary shares were added to the 2016 Plan under this provision. The number of shares available for issuance under the 2016 Plan is subject to adjustment in the event of a share split, share dividend or other change in the Company's capitalization.

During the nine months ended September 30, 2017, the Company granted 60,450,462 options, with an exercise price per ordinary share equal to 1/13 of the closing price of the Company's ADS quoted on the NASDAQ Stock Exchange on the applicable grant date, 1,212,411 restricted stock units and 300,000 restricted ordinary shares under the 2016 Plan. As of September 30, 2017, options and restricted stock units outstanding totaled 130,809,417 and 1,212,411, respectively.

During the nine months ended September 30, 2017 and 2016, no grants to employees and non-employees were made outside of the Company's 2011 Plan and 2016 Plan.

Generally, options have a contractual term of 10 years and vest over a three- to five-year period, with the first tranche vesting one calendar year after the grant date or the service relationship start date and the remainder of the awards vesting on a monthly basis thereafter. Restricted shares and restricted stock units vest over a four-year period, with the first tranche vesting one calendar year after the grant date or the service relationship start date and the remainder of the awards vesting on a yearly basis thereafter.

Modification

Upon the completion of the Company's IPO on February 8, 2016, a consultant became a member of the Company's board of directors. On April 1, 2017, another consultant became an employee of the Company. Under the terms of the original option agreements, the individuals retain the option grants on a change in status; hence, there is no modification to account for. The fair value of the options granted by the Company to the consultants was re-measured as of

February 8, 2016 and April 1, 2017, respectively. The compensation charges have been accounted for prospectively over the remaining vesting period. There were no other material modifications to the Company's share option arrangements for all the periods presented.

The following table summarizes total share-based compensation expense recognized for the three and nine months ended September 30, 2017 and 2016:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	$	$	$	$
Research and development	10,382	2,135	19,660	5,178
Selling, general and administrative	2,945	644	6,741	1,500
Total	13,327	2,779	26,401	6,678

20. Accumulated other comprehensive income/(loss)

The movement of accumulated other comprehensive income/(loss) was as follows:

	Foreign Currency Translation Adjustments	Unrealized Losses on Available-for-Sale Securities	Total
	$	$	$
Balance as of December 31, 2016	(847)	(99)	(946)
Other comprehensive income before reclassifications	926	68	994
Amounts reclassified from accumulated other comprehensive income	—	(10)	(10)
Net-current period other comprehensive income	926	58	984
Balance as of September 30, 2017	79	(41)	38

21. Noncontrolling interest

As of September 30, 2017, a noncontrolling interest of $14,349 was recognized in the Company's condensed consolidated balance sheet, representing the capital cash contribution by GET in BeiGene Biologics in the nine months ended September 30, 2017, offset by comprehensive losses attributable to GET's noncontrolling interest in BeiGene Biologics.

For the three and nine months ended September 30, 2017, net losses of $102 and $237, respectively, attributable to the noncontrolling interest of BeiGene Biologics were recognized in the Company's condensed consolidated statements of operations, based on GET's 5% equity interest in BeiGene Biologics.

Reconciliation for the equity attributable to noncontrolling interests for the nine months ended September 30, 2017 is as follows:

	BeiGene, Ltd. Shareholders' Equity	Non-controlling Interest	Total Equity
	$	$	$
Balance as of January 1, 2017	352,907	—	352,907
Net income/(loss)	6,218	(237)	5,981
Issuance of ordinary shares in secondary follow-on offering, net of transaction costs	188,517	—	188,517
Equity purchase by Celgene, net of transaction costs	149,928	—	149,928
Discount on the sale of ordinary shares to Celgene	23,606	—	23,606
Contributions from shareholders	—	14,527	14,527
Share-based compensation	26,401	—	26,401
Exercise of options	1,579	—	1,579
Other comprehensive income, net of tax of nil:			
Foreign currency translation adjustments	926	59	985
Unrealized holding gain, net	58	—	58
Other comprehensive income, net of tax of nil	984	59	1,043
Balance as of September 30, 2017	750,140	14,349	764,489

22. Shareholders' equity

Initial public offering

On February 8, 2016, the Company completed its IPO on the NASDAQ Global Select Market. 6,600,000 ADSs representing 85,800,000 ordinary shares were sold at $24.00 per ADS, or $1.85 per ordinary share (the "IPO Price"). Additionally, the underwriters exercised their options to purchase an additional 990,000 ADSs representing 12,870,000 ordinary shares from the Company. Net proceeds from the IPO including underwriter option after deducting underwriting discounts and offering expenses were $166,197.

Follow-on public offerings

On November 23, 2016, the Company completed a follow-on public offering at a price of $32.00 per ADS, or $2.46 per ordinary share. In this offering, the Company sold 5,781,250 ADSs representing 75,156,250 ordinary shares. Additionally, the underwriters exercised their option to purchase an additional 850,000 ADSs representing 11,050,000 ordinary shares from the Company. The selling shareholders sold 468,750 ADSs representing 6,093,750 ordinary shares. Net proceeds from this offering including underwriter option after deducting the underwriting discounts and offering expenses were $198,625. The Company did not receive any proceeds from the sale of the shares by the selling shareholders.

On August 16, 2017, the Company completed a follow-on public offering at a price of $71.00 per ADS, or $5.46 per ordinary share. In this offering, the Company sold 2,465,000 ADS representing 32,045,000 ordinary shares. Additionally, the underwriters exercised their option to purchase an additional 369,750 ADSs representing 4,806,750 ordinary shares from the Company. Net proceeds from this offering including underwriter option after deducting the underwriting discounts and offering expenses were $188,517.

Share Subscription Agreement

On August 31, 2017, the Company sold 32,746,416 of its ordinary shares to Celgene Switzerland for an aggregate cash price of $150,000, or $4.58 per ordinary share, or $59.55 per ADS, pursuant to the Share Subscription Agreement in connection with the entry into the A&R PD-1 License Agreement. Proceeds from the issuance are recorded net of $72 of fees related to the share issuance. The offer and sale of the shares issued pursuant to the Share Subscription Agreement was made in a private placement in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act, for transactions by an issuer not involving a public offering, and/or Regulation D under the Securities Act. All certificates evidencing the shares will bear a standard restrictive legend under the Securities Act.

Conversion of Preferred Shares and Senior Promissory Note

Upon completion of the IPO in 2016, all outstanding Preferred Shares were converted into 199,990,641 ordinary shares and the related carrying value of $176,084 was reclassified from mezzanine equity to shareholders' equity. The outstanding unpaid principal and interest of the Senior Promissory Note were converted into 7,942,314 ordinary shares, computed at the initial public offering price of $1.85 per ordinary share and the related carrying value of $14,693 was reclassified from current liability to shareholders' equity in 2016.

Exercise of warrants and option

In January 2016 and February 2016, certain warrants in connection with the convertible promissory notes and short term notes were exercised to purchase 621,637 Preferred Shares, which were converted into 621,637 ordinary shares. On the IPO closing date, (i) the Company's landlord exercised its option to purchase 1,451,586 ordinary shares of the Company; (ii) Baker Bros. exercised their warrants to purchase 2,592,593 ordinary shares at an exercise price of $0.68 per share; and (iii) a senior executive exercised warrants to purchase 57,777 Preferred Shares at an exercise price of $0.68 per share, which were converted into 57,777 ordinary shares. Upon the exercise of the aforementioned option and warrants, except for Baker Bros.' warrants, which were initially classified in equity, the related carrying value totaling $3,687 was reclassified from current liabilities to shareholders' equity in 2016.

23. Restricted net assets

As a result of PRC laws and regulations, the Company's PRC subsidiaries are restricted in their ability to transfer a portion of their net assets to the Company. As of September 30, 2017 and December 31, 2016, amounts restricted were the net assets of the Company's PRC subsidiaries, which amounted to $25,037 and $9,955, respectively.

24. Commitments and contingencies

Operating lease commitments

The Company leases office and manufacturing facilities under non-cancelable operating leases expiring on different dates in the United States and China. Payments under operating leases are expensed on a straight-line basis over the periods of their respective leases. There are no restrictions placed upon the Company by entering into these leases. Total expenses under these operating leases were $1,065 and $2,486 for the three and nine months ended September 30, 2017, respectively. Total expenses under these operating leases were $748 and $1,373 for the three and nine months ended September 30, 2016, respectively.

Future minimum payments under non-cancelable operating leases consist of the following as of September 30, 2017:

	$
Three months ending December 31, 2017	1,676
Year ending December 31, 2018	5,691
Year ending December 31, 2019	5,338
Year ending December 31, 2020	4,118
Year ending December 31, 2021	2,565
Year ending December 31, 2022 and thereafter	3,693
Total	23,081

Capital commitments

The Company had capital commitments amounting to $36,149 for the acquisition of property, plant and equipment as of September 30, 2017, which were mainly for BeiGene Guangzhou Factory's manufacturing facility in Guangzhou, China.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our condensed consolidated financial statements (unaudited) and related notes included in the section of this Quarterly Report on Form 10-Q, or this Quarterly Report, titled "Item 1—Financial Statements." This Quarterly Report contains forward-looking statements that are based on management's beliefs and assumptions and on information currently available to management. All statements other than statements of historical facts contained in this Quarterly Report are forward-looking statements. In some cases, you can identify forward-looking statements by the following words: "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "goal," "intend," "may," "ongoing," "plan," "potential," "predict," "project," "should," "will," "would," or the negative of these terms or other similar expressions, although not all forward-looking statements contain these words. These forward-looking statements, include, but are not limited to, statements regarding: the initiation, timing, progress and results of our preclinical studies and clinical trials and our research and development programs; our ability to advance our drug candidates into, and successfully complete, clinical trials; the ability of our drug candidates to be granted or to maintain Category 1 designation with the China Food and Drug Administration, or CFDA; our reliance on the success of our clinical-stage drug candidates BGB-3111, BGB-A317, BGB-290 and BGB-283 and certain other drug candidates, as monotherapies and in combination with our internally discovered drug candidates and third-party agents; the timing or likelihood of regulatory filings and approvals; the commercialization of our approved cancer therapies licensed from Celgene in China; our ability to develop and effectively maintain sales and marketing capabilities; the pricing and reimbursement of our drug candidates, if approved, and drugs; the implementation of our business model, strategic plans for our business, drug candidates and technology; the scope of protection we are able to establish and maintain for intellectual property rights covering our drug candidates and technology; our ability to operate our business without infringing the intellectual property rights and proprietary technology of third parties; cost associated with defending against intellectual property infringement, product liability and other claims; regulatory developments in the United States, China, the United Kingdom, the European Union and other jurisdictions; the accuracy of our estimates regarding expenses, future revenues, capital requirements and our need for additional financing; the potential benefits of strategic collaboration agreements and our ability to enter into strategic arrangements; our ability to maintain and establish collaborations or obtain additional funding; the rate and degree of market acceptance of our drug candidates and drugs; developments relating to our competitors and our industry, including competing therapies; the size of the potential markets for our drug candidates and drugs and our ability to serve those markets; our ability to effectively manage our anticipated growth; our ability to attract and retain qualified employees and key personnel; statements regarding future revenue, hiring plans, expenses, capital expenditures, capital requirements and share performance; the future trading price of our ADSs, and impact of securities analysts' reports on these prices; and other risks and uncertainties, including those listed under "Part II—Item 1A—Risk Factors" of this Quarterly Report. These statements involve risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other things, those described in "Part II—Item 1A—Risk Factors" of this Quarterly Report. These forward-looking statements speak only as of the date hereof. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future. Unless the context requires otherwise, in this Quarterly Report, the terms "BeiGene," the "Company," "we," "us" and "our" refer to BeiGene, Ltd. and its subsidiaries, on a consolidated basis.

Overview

We are a globally focused, commercial-stage biopharmaceutical company dedicated to becoming a leader in the discovery, development and commercialization of innovative, molecularly targeted and immuno-oncology drugs for the treatment of cancer. We believe the next generation of cancer treatment will utilize therapeutics both as monotherapies and in combination to attack multiple underlying mechanisms of cancer cell growth and survival. We further believe that discovery of next-generation cancer therapies requires new research tools. To that end, we have developed a proprietary cancer biology platform that addresses the importance of tumor-immune system interactions and the value of primary biopsies in developing new models to support our drug discovery effort.

Our strategy is to develop a pipeline of drug candidates that will have the potential to be best-in-class monotherapies and also be important components of multiple-agent combination regimens. Over the last seven years, using our cancer biology platform, we have developed clinical-stage drug candidates that inhibit the important oncology targets Bruton's tyrosine kinase, or BTK, RAF dimer protein complex and PARP family of proteins, and an immuno-oncology agent that inhibits the immune checkpoint protein receptor PD-1. For each of our molecularly targeted drug candidates, we have established proof-of-concept by observing objective responses in defined patient populations. Globally outside of China, our BTK inhibitor is currently in three registrational trials in the United States, Europe, Australia and other countries. Our PD-1, PARP and RAF dimer inhibitors are currently in the dose-expansion phases of their respective clinical trials. In China, our BTK inhibitor is in three registrational trials and our PD-1 inhibitor is in two registrational trials. Recently, we completed enrollment to the pivotal trial of BGB-3111 in Chinese patients with relapsed/refractory mantle cell lymphoma and the pivotal trial of BGB-A317 in Chinese patients with relapsed/refractory classical Hodgkin's lymphoma. As of August 23, 2017, trials of our four clinical-stage drug candidates, as monotherapies and in combination, have enrolled a total of over 1,500 patients and healthy adults. We have Investigational New Drug, or IND, applications in effect for our BTK, PD-1 and PARP inhibitors with the U.S. Food and Drug Administration, or FDA, and all four of our drug candidates are in clinical testing in China. We believe that each of our clinical-stage drug candidates is the first in its respective class being developed in China under the Category 1.1 domestic regulatory pathway to enter into human testing and to present clinical data. In addition to our clinical-stage drug candidates, we have a robust pipeline of preclinical programs and are planning to advance one or more of these programs into clinical testing in the next 12 months.

Since our inception on October 28, 2010, our operations have focused on organizing and staffing our company, establishing our intellectual property portfolio and conducting preclinical studies and clinical trials, building manufacturing capabilities, business planning and raising capital. Since September 2017, we market ABRAXANE® (nanoparticle albumin–bound paclitaxel), REVLIMID® (lenalidomide), and are preparing to market VIDAZA® (azaciditine) in China excluding Hong Kong, Macau and Taiwan under a license from Celgene. We have primarily financed operations through a combination of public and private equity and debt financings and public and private grants and contracts, including the net proceeds from our initial public offering and follow-on public offerings, the net proceeds from the issuance of a senior note and convertible promissory note to Merck Sharp & Dohme Research GmbH, or MSD, an affiliate of Merck Sharp & Dohme Corp.; the private placements of our Series A preferred shares and Series A-2 preferred shares; our collaborations with Merck KGaA, Darmstadt Germany; and our collaboration and share subscription agreements with Celgene. On February 8, 2016, we completed our initial public offering and received net proceeds of $166.2 million after deducting underwriter discounts and offering expenses. On November 23, 2016 and August 16, 2017 , we completed follow-on public offerings and raised net proceeds of $198.6 million and $188.5 million, respectively, after deducting underwriting discounts and offering expenses. On April 14, 2017, BeiGene Biologics received a cash capital contribution of RMB100 million from GET, and also drew down the Shareholder Loan of RMB900 million from GET for the construction and operation of a biologics manufacturing facility in Guangzhou, China and research and development and clinical trials to be carried out by BeiGene Biologics. On August 31, 2017, we entered into a license agreement with Celgene for our PD-1 inhibitor drug candidate, BGB-A317, under which Celgene agreed to pay us $263 million in up-front license fees, and a share subscription agreement under which Celgene purchased $150 million of our ordinary shares. Although it is difficult to predict our liquidity requirements, based upon our current operating plans, we believe we have sufficient cash to meet our projected operating requirements for at least the next 12 months after the date that the financial statements in this report are issued. See "—Liquidity and Capital Resources."

Since inception we have incurred significant net operating losses. However, for the three months ended September 30, 2017, we earned a profit as a result of the upfront fees allocable to the licensing of rights to BGB-A317 to Celgene. Our net income was $117.3 million and $6.0 million for the three and nine months ended September 30, 2017, respectively. Our net losses were $35.5 million and $81.6 million for the three and nine months ended September 30, 2016, respectively. As of September 30, 2017, we had an accumulated deficit of $231.2 million. During the three months ended September 30, 2017, we generated revenue from product sales and under our collaboration agreement with Celgene, and in the future, we may generate revenue from product sales, collaboration agreements, strategic alliances and licensing arrangements, or a combination of these. Substantially all of our losses have resulted from funding our research and development programs, selling costs, licensing and acquisitions and general and administrative costs associated with our operations. We expect to continue to incur significant expenses and operating losses for the

foreseeable future. We anticipate that our expenses will increase significantly in connection with our ongoing activities, as we:

- continue preclinical and clinical development of our programs, including our ongoing and planned registrational trials for BGB-3111, BGB-A317 and BGB-290;
- support potential regulatory filings and registration of our late-stage drug candidates;
- continue investment in our cancer biology platform;
- continue investment in our manufacturing facilities;
- establish and expand our commercial operations;
- hire additional research, development and business personnel;
- support strategic investments and business development activities, including the potential acquisition or licensing of additional technologies, assets or businesses;
- maintain, expand and protect our intellectual property portfolio; and
- incur additional costs associated with supporting our growing organization.

We expect that the revenue we generate from product sales and collaboration agreements will fluctuate from quarter to quarter and year to year, primarily as a result of the timing and amount of license fees, milestones, reimbursement of costs incurred and other payments, and sales of third-party products and sales of internally developed products, to the extent any are successfully commercialized. If we fail to complete the development of our drug candidates in a timely manner or obtain regulatory approval of them, our ability to generate future revenue, and our results of operations and financial position, would be materially adversely affected.

Cash used in operations were $81.0 million and $63.4 million, respectively, for the nine months ended September 30, 2017 and 2016. As of September 30, 2017, we had cash, cash equivalents and short-term investments of $757.4 million, compared with $368.2 million as of December 31, 2016. As of September 30, 2017, our cash and cash equivalents included approximately $91.6 million of cash held by BeiGene Biologics to build a commercial biologics facility in Guangzhou, China and to fund research and development of biologics drug candidates in China.

Recent Developments

On August 31, 2017, we announced the closing of our strategic collaboration with Celgene that the parties previously announced on July 5, 2017, as further described below.

Exclusive License and Collaboration Agreement

On July 5, 2017, we entered into an Exclusive License and Collaboration Agreement (the "PD-1 License Agreement") with Celgene and its wholly-owned subsidiary, Celgene Switzerland LLC ("Celgene Switzerland"), pursuant to which we granted to the Celgene parties an exclusive right to develop and commercialize our investigational anti-programmed cell death protein 1 ("PD-1") inhibitor, BGB-A317, in all fields of treatment, other than hematology, in the United States, Europe, Japan and the rest of world other than Asia. On August 31, 2017, we, Celgene and Celgene Switzerland amended and restated the PD-1 License Agreement (such agreement, the "A&R PD-1 License Agreement") to, among other things, clarify the parties' responsibilities relating to the conducting and funding of certain global registration clinical trials and clarify the scope of the regulatory materials transferred by us to Celgene.

Concurrent with the closing of the other transactions with Celgene and its affiliates, and following the expiration or termination of applicable waiting periods under all applicable antitrust laws, the A&R PD-1 License Agreement became effective as of August 31, 2017 (the "Effective Date"). Celgene is required to pay us $263.0 million in upfront license fees after the effectiveness of the A&R PD-1 License Agreement, $92.0 million of which has been paid to us as of September 30, 2017. The remaining $171.0 million is due on December 1, 2017.

Celgene China Agreements

On the Effective Date, a wholly-owned subsidiary of ours, BeiGene HK, acquired 100% of the equity interests of Celgene Pharmaceutical (Shanghai) Co., Ltd. ("Celgene Shanghai"), a wholly-owned subsidiary of Celgene Holdings East Corporation established under the laws of China. Celgene Shanghai is in the business of, among other things, providing marketing and promotional services in connection with certain pharmaceutical products manufactured by its affiliates. Prior to the Effective Date, Celgene Shanghai separated certain business functions, including regulatory and drug safety, that will continue to support the business acquired by us. In addition, the name of Celgene Shanghai has been changed to BeiGene Pharmaceutical (Shanghai).

On July 5, 2017, we and a wholly-owned subsidiary of Celgene, Celgene Logistics Sàrl ("Celgene Logistics"), entered into a License and Supply Agreement (the "China License Agreement"), pursuant to which we have been granted the right to exclusively distribute and promote Celgene's approved cancer therapies, ABRAXANE®, REVLIMID®, and VIDAZA®, and Celgene's investigational agent CC-122 in clinical development , in China excluding Hong Kong, Macau and Taiwan. The China License Agreement became effective as of the Effective Date concurrent with the closing of our acquisition of Celgene Shanghai.

Share Subscription Agreement

On the Effective Date, we closed the sale of 32,746,416 of our ordinary shares to Celgene Switzerland for an aggregate cash price of $150.0 million, or $4.58 per ordinary share, or $59.55 per American Depositary Share, pursuant to the Share Subscription Agreement. The offer and sale of the shares issued pursuant to the Share Subscription Agreement was made in a private placement in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act, for transactions by an issuer not involving a public offering, and/or Regulation D under the Securities Act. All certificates evidencing the shares bear a standard restrictive legend under the Securities Act.

The transactions described above were previously disclosed by us in our Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission on August 31, 2017.

Components of Operating Results

Revenue

To date, our revenue has consisted of in-licensed product sales revenue, upfront license fees, reimbursed research and development expenses and milestone payments from our strategic collaboration with Celgene and collaboration agreements with Merck KGaA, Darmstadt Germany on BGB-283 and BGB-290. We do not expect to generate significant revenue from internally developed product candidates unless and until we successfully complete development and obtain regulatory approval for one or more of our product candidates, which we expect will take a number of years and is subject to significant uncertainty.

Strategic Collaboration with Celgene

As described in "—Recent Developments" above, we entered into the A&R PD-1 License Agreement with Celgene and Celgene Switzerland, and the China License Agreement with Celgene Logistics. We recognized revenues for the three and nine months ended September 30, 2017 as follows:

		Three and Nine Months Ended September 30, 2017 (in thousands)
Product revenue, net	$	8,822
License revenue		211,391
Total	$	220,213

Revenues from product sales are recognized when persuasive evidence of an arrangement exists, delivery has occurred and title of the product and associated risk of loss has transferred to the customer, the price is fixed or determinable, collection from the customer has been reasonably assured, all performance obligations have been met, and returns and allowances can be reasonably estimated. Product sales are recorded net of estimated rebates, estimated product returns and other deductions. Provisions for estimated reductions to revenue are provided for in the same period the related sales are recorded and are based on the sales terms, historical experience and trend analysis.

Product revenue was $8.8 million for the three months ended September 30, 2017, which related to our distribution and promotion of ABRAXANE® and REVLIMID® in China. We began recognizing product revenue with sales to our distributors in China, beginning in September 2017 following the closing of our strategic collaboration with Celgene. Product revenue is net of accrual for rebates and returns, which totaled $1.7 million as of September 30, 2017. We had no product revenue for the three months ended September 30, 2016.

We are accounting for the A&R PD-1 License Agreement with Celgene under ASC 605, Revenue Recognition ("ASC 605"), and identified the following deliverables of the collaboration agreement with stand-alone value, which are accounted for as separate units of accounting: (a) the license provided to Celgene for the exclusive right to develop and commercialize BGB-A317, in all fields of treatment, other than hematology, in the United States, Europe, Japan and the rest of world other than Asia ("the license"); and (b) the research and development services provided to Celgene to develop BGB-A317 within specified indications ("R&D services"). For each deliverable, we determined the best estimated selling price ("BESP") and allocated the non-contingent consideration allocated to the A&R PD-1 License Agreement of $250.0 million to the units of accounting using the relative selling price method. The consideration allocated to the license, $211.4 million was recognized upon transfer of the license to Celgene at contract inception and the consideration allocated to the R&D services will be recognized over the term of the respective clinical studies for the specified indications.

For the potential future payments associated with the defined developmental, regulatory, and commercialization goals, we determined that upon achievement of the developmental, regulatory, and commercialization goals, such payments will be allocated to the separate deliverables using the initial allocation based on the relative selling price method. Further, sales-based milestones and royalty payments will be recognized when reported sales are reliably measurable and collectability is reasonably assured.

For the three and nine months ended September 30, 2017, the Company recognized $211.4 million as license revenue within collaboration revenue in the Company's condensed consolidated statements of operations. The consideration allocated to the R&D services, $38.6 million, is recorded as deferred revenue in the September 30, 2017 balance sheet and will be recognized over the term of the respective clinical studies for the specified indications.

Collaboration with Merck KGaA, Darmstadt Germany

On May 24, 2013, we entered into license agreements with Merck KGaA, Darmstadt Germany on BGB-283, which we amended and restated on December 10, 2013, and further amended on October 1, 2015 and December 3, 2015. In the latest amendment, Merck KGaA, Darmstadt Germany granted us an exclusive license under certain of its intellectual

property rights to develop, manufacture and commercialize the RAF dimer inhibitor in The People's Republic of China, which we refer to as the PRC Territory, subject to certain non-compete restrictions. In March 2017, Merck KGaA, Darmstadt Germany informed us that it would not exercise a continuation option in the ex-PRC Territory, and thus, the ex-PRC BRAF Agreement has terminated in its entirety, except for certain provisions that survive termination. Under these agreements, we received $13.0 million in non-refundable payments in 2013 following their execution, $5.0 million in milestone payments in 2014 and $4.0 million in milestone payments in 2015. We are eligible to receive $14.0 million in payments upon the successful achievement of pre-specified clinical milestones in the PRC Territory. In consideration for the licenses Merck KGaA, Darmstadt Germany granted to us, we are required to pay Merck KGaA, Darmstadt Germany a high single-digit royalty on aggregate net sales of licensed BRAF inhibitors in the PRC Territory.

On October 28, 2013, we entered into license agreements with Merck KGaA, Darmstadt Germany on BGB-290, pursuant to which (1) we granted to Merck KGaA, Darmstadt Germany an exclusive license under certain of our intellectual property rights to develop and manufacture, and, if Merck KGaA, Darmstadt Germany exercises a certain continuation option, to commercialize and manufacture our compound BGB-290 and any other compound covered by the same existing patent rights with primary activity to inhibit PARP 1, 2 or 3 enzymes in the Ex-PRC Territory, and (2) Merck KGaA, Darmstadt Germany granted us an exclusive license under certain of its intellectual property rights to develop, manufacture and commercialize the licensed PARP inhibitors in the PRC Territory. Under these license agreements, we received $6 million in non-refundable payments in November 2013 following their execution and $9.0 million in milestone payments in 2014. We were eligible to receive up to $7.0 million and $2.5 million, in payments upon the successful achievement of pre-specified clinical and regulatory milestones in the PRC Territory, respectively. On October 1, 2015, pursuant to a purchase of rights agreement, we repurchased all of Merck KGaA, Darmstadt Germany's worldwide rights under the ex-PRC license agreement, in consideration for, among other things, a one-time payment of $10.0 million and reduction of future milestone payments that we are eligible to receive under the PRC license agreement. In connection with such repurchase, the ex-PRC license agreement terminated except for certain provisions therein. The remaining $3.0 million of deferred revenue related to PARP as of October 1, 2015 was netted against the $10.0 million repurchase consideration. In consideration for the licenses granted to us, we are required to pay Merck KGaA, Darmstadt Germany a high single-digit royalty percentage on aggregate net sales of licensed products in the PRC Territory. In addition, if Merck KGaA, Darmstadt Germany exercises its PRC commercialization option under certain specified conditions, Merck KGaA, Darmstadt Germany is required to pay us a $50.0 million non-refundable payment upon such exercise, and we are eligible for a $12.5 million milestone payment upon the successful achievement of a certain additional regulatory event in the PRC Territory as well as royalties on any product sales.

We recognized no collaboration revenue from the Merck KGaA, Darmstadt Germany collaboration for the three and nine months ended September 30, 2017, and $1.4 million and $4.1 million of collaboration revenue from this collaboration for the three and nine months ended September 30, 2016, respectively. The following table summarizes the revenue recognition schedule of an aggregate of $34.0 million in revenue from our collaboration agreements with Merck KGaA, Darmstadt Germany, comprised of an aggregate of $22.0 million related to BGB-283 and $12.0 million related to BGB-290. The revenue consists of an upfront non-refundable license fee, Phase 1 research and development fees, and a development based target payment related to the collaborative arrangements for BRAF, excluding the $3.0 million in deferred revenue that was netted against the $10.0 million repurchase consideration relating to the PARP inhibitors under the ex-PRC license agreement. In accordance with our revenue recognition policy, we have recognized these amounts as shown in the table below:

	BGB-283	BGB-290	Total
		(in thousands)	
2013	$ 8,317	$ 2,823	$ 11,140
2014	5,906	7,048	12,954
2015	6,707	2,109	8,816
2016	1,070	—	1,070
Total	$ 22,000	$ 11,980	$ 33,980

For the three and nine months ended September 30, 2017, our revenue was generated from sales of our in-licensed drugs in China and from our collaboration agreement with Celgene . For the three and nine months ended September 30, 2016, substantially all of our revenue was generated solely from our collaboration agreements with Merck KGaA,

Darmstadt Germany. For the next several years, we expect our revenue will be generated from product revenue from sales of in-licensed drugs in China, potential future milestones under our collaboration agreements with Celgene and Celgene Switzerland, and with Merck KGaA, Darmstadt Germany, if any, and any other strategic relationships we may enter into. If our development efforts are successful and we receive regulatory approval, we may also generate revenue from product sales of our internally developed drug candidates.

Operating Expenses

Research and Development Expenses

Research and development expenses consist of the costs associated with our research and development activities, conducting preclinical studies and clinical trials and activities related to regulatory filings. Our research and development expenses consist of:

- employee-related expenses, including salaries, benefits, travel and share-based compensation expense for research and development personnel;
- expenses incurred under agreements with contract research organizations, or CROs, contract manufacturing organizations, and consultants that conduct and support clinical trials and preclinical studies;
- costs of comparator drugs in certain of our clinical trials;
- costs associated with preclinical activities and development activities;
- costs associated with regulatory operations; and
- other expenses, which include direct and allocated expenses for rent and maintenance of facilities, insurance and other supplies used in research and development activities.

Our current research and development activities mainly relate to the clinical development of the following programs:

- BGB-3111, a potent and highly selective small molecule inhibitor of BTK;
- BGB-A317, a humanized monoclonal antibody against PD-1;
- BGB-290, a potent and highly selective inhibitor of PARP1 and PARP2; and
- BGB-283, a small molecule inhibitor of both the monomer and dimer forms of BRAF.

We expense research and development costs when we incur them. We record costs for some development activities, such as clinical trials, based on an evaluation of the progress to completion of specific tasks using data such as subject enrollment, clinical site activations or information our vendors provide to us. We do not allocate employee-related costs, depreciation, rental and other indirect costs to specific research and development programs because these costs are deployed across multiple product programs under research and development and, as such, are separately classified as unallocated research and development expenses.

At this time, it is difficult to estimate or know, for certain, the nature, timing and estimated costs of the efforts that will be necessary to complete the development of our drug candidates. We are also unable to predict when, if ever, material net cash inflows will commence from sales of our drug candidates. This is due to the numerous risks and uncertainties associated with developing such drug candidates, including the uncertainty of:

- successful enrollment in and completion of clinical trials;

- establishing an appropriate safety profile;
- establishing commercial manufacturing capabilities or making arrangements with third-party manufacturers;
- receipt of marketing approvals from applicable regulatory authorities;
- commercializing our drug candidates, if and when approved, whether as monotherapies or in combination with our internally discovered drug candidates or third-party products;
- obtaining and maintaining patent and trade secret protection and regulatory exclusivity for our drug candidates;
- continued acceptable safety profiles of the products following approval; and
- retention of key personnel.

A change in the outcome of any of these variables with respect to the development of any of our drug candidates could significantly change the costs, timing and viability associated with the development of that drug candidate.

Research and development activities are central to our business model. We expect research and development costs to increase significantly for the foreseeable future as our development programs progress, including as we continue to support the clinical trials of BGB-3111, BGB-A317, BGB-290 and BGB-283 as a treatment for various cancers and move these drug candidates into additional clinical trials, including registrational trials. There are numerous factors associated with the successful commercialization of any of our drug candidates, including future trial design and various regulatory requirements, many of which cannot be determined with accuracy at this time based on our stage of development. Additionally, future commercial and regulatory factors beyond our control will impact our clinical development programs and plans.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of product promotion costs, distribution costs , salaries and related benefit costs, including share-based compensation for selling, general and administrative personnel. Other selling, general and administrative expenses include professional fees for legal, consulting, auditing and tax services as well as other direct and allocated expenses for rent and maintenance of facilities, travel costs, insurance and other supplies used in selling, general and administrative activities. We anticipate that our selling, general and administrative expenses will increase in future periods to support increases in commercialization activities, with respect to ABRAXANE® (nanoparticle albumin–bound paclitaxel), REVLIMID® (lenalidomide), and VIDAZA® (azaciditine) in China and the preparation for launch and potential commercialization of our internally developed drug candidates, if approved. We also expect selling, general and administrative expenses to increase in future periods to support our research and development efforts, including the continuation of the clinical trials of BGB-3111, BGB-A317, BGB-290 and BGB-283 as a treatment for various cancers and the initiation of clinical trials for other drug candidates. These cost increases will likely be due to increased promotional costs, increased headcount, increased share-based compensation expenses, expanded infrastructure and increased costs for insurance. We also anticipate increased legal, compliance, accounting, insurance and investor and public relations expenses associated with being a public company.

Interest Income (Expense), Net

Interest Income

Interest income consists primarily of interest generated from our cash and short-term investments in money markets, time deposits and U.S. Treasury securities.

Interest Expense

Interest expense consists primarily of interest on our senior promissory note, convertible promissory note, long-term bank loan and Shareholder Loan.

Other Income (Expense), Net

Other income consists primarily of government grants and subsidies received that involve no conditions or continuing performance obligations by us. Other expense consists primarily of loss from property and equipment disposals and donations made to sponsor certain events. Other income (expense) also consists of unrealized gains and losses related to changes in foreign currency exchange rates and realized gains and losses on the sale of investments.

Results of Operations

The following table summarizes our results of operations for the three and nine months ended September 30, 2017 and 2016:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2017	2016	Change	2017	2016	Change
	(in thousands)					
Product revenue, net	$ 8,822	$ —	$ 8,822	$ 8,822	$ —	$ 8,822
Collaboration revenue	211,391	—	211,391	211,391	1,070	210,321
Total revenue	220,213	—	220,213	220,213	1,070	219,143
Expenses						
Cost of sales - product	(1,944)	—	(1,944)	(1,944)	—	(1,944)
Research and development	(87,660)	(30,106)	(57,554)	(177,678)	(69,100)	(108,578)
Selling, general and administrative	(15,641)	(4,722)	(10,919)	(35,187)	(11,760)	(23,427)
Amortization of intangible assets	(63)	—	(63)	(63)	—	(63)
Total expenses	(105,308)	(34,828)	(70,480)	(214,872)	(80,860)	(134,012)
Income/(loss) from operations	114,905	(34,828)	149,733	5,341	(79,790)	85,131
Interest (expense)/income, net	(1,785)	(75)	(1,710)	(3,581)	336	(3,917)
Changes in fair value of financial instruments	—	—	—	—	(1,514)	1,514
(Loss)/gain on sale of available-for-sale securities	—	(137)	137	10	(1,077)	1,087
Other income/(expense), net	1,103	(327)	1,430	1,531	732	799
Income/(loss) before income tax expense	114,223	(35,367)	149,590	3,301	(81,313)	84,614
Income tax benefit /(expense)	3,061	(127)	3,188	2,680	(306)	2,986
Net income/(loss)	117,284	(35,494)	152,778	5,981	(81,619)	87,600
Less: Net loss attributable to noncontrolling interest	(102)	—	(102)	(237)	—	(237)
Net income/(loss) attributable to BeiGene, Ltd.	$ 117,386	$ (35,494)	$ 152,880	$ 6,218	$ (81,619)	$ 87,837

Comparison of the Three Months Ended September 30, 2017 and 2016

Revenue

Net product revenue was $8.8 million for the three months ended September 30, 2017, which related to our distribution and promotion of ABRAXANE® and REVLIMID® in China. We had no product revenue for the three months ended September 30, 2016.

Collaboration revenue was $211.4 million for the three months ended September 30, 2017, which was due to revenue recognition related to the license fee under our collaboration agreement with Celgene and Celgene Switzerland with respect to BGB-A317. The portion of the upfront license fee allocated to R&D services, $38.6 million, is recorded as deferred revenue in the September 30, 2017 balance sheet and will be recognized over the term of the respective clinical studies for the specified indications. There was no collaboration revenue for the three months ended September 30, 2016 .

Research and Development Expense

Research and development expense increased by $57.6 million, or 191.2%, to $87.7 million for the three months ended September 30, 2017 from $30.1 million for the three months ended September 30, 2016. The following table summarizes external clinical, external preclinical and internal research and development expense for the three months ended September 30, 2017 and 2016, respectively:

	Three Months Ended September 30,		
	2017	2016	Changes
	(in thousands)		
External cost of clinical-stage programs	$ 45,341	$ 15,151	$ 30,190
External cost of preclinical-stage programs	3,602	3,264	338
Internal research and development expenses	38,717	11,691	27,026
Total research and development expenses	$ 87,660	$ 30,106	$ 57,554

The increase in external research and development expense was primarily attributable to the advancement of our clinical and preclinical pipeline, and included the following:

- Increases of approximately $17.3 million, $8.1 million and $6.0 million, respectively, for BGB-3111, BGB-A317 and BGB-290, partially offset by a decrease of approximately $1.2 million for BGB-283. The expense increases were primarily due to the expansion of our ongoing clinical development plan, including the initiation of two global Phase 1 and Phase 1b/2 combination trials of BGB-290, the continued enrollment of our three global registrational BGB-3111 trials, the initiation of a pivotal Phase 2 BGB-3111 trial and a Phase 2 BGB-3111 combination trial in China, and the initiation of a registational trial and two Phase 2 combination trials of BGB-A317 in China.

The increase in internal research and development expense was primarily attributable to the expansion of our development organization and our pipeline, and included the following:

- $8.9 million increase of employee salary and benefits, which was primarily attributable to hiring more research and development personnel to support our expanding research and clinical activities;

- $8.3 million increase of share-based compensation expense ($10.4 million in the three months ended September 30, 2017 compared to $2.1 million in the three months ended September 30, 2016), primarily attributable to our increased headcount, as well as the increased valuation of non-employee grants;

- $2.6 million increase of materials and reagent expenses, mainly in connection with the in-house manufacture of drug candidates used for clinical purposes, that were previously outsourced and recorded as external cost; and

- $7.2 million increase of consulting fees, facility and travel expenses, rental fees and other expenses, primarily attributable to the global expansion of our company.

Selling, General and Administrative Expense

Selling, general and administrative expense increased by $10.9 million, or 231.2%, to $15.6 million for the three months ended September 30, 2017 from $4.7 million for the three months ended September 30, 2016. The increase was primarily attributable to the following:

- $3.8 million increase of professional fees for legal, consulting, recruiting and audit services, mainly in connection with our patent prosecution activities, consulting services, business development activities, including the Celgene transactions, recruiting services and the preparation of periodic reports;

- $ 3.0 million increase of employee salary and benefits, which was primarily attributable to the hiring of more personnel to support our growing organization, including the acquired workforce in the acquisition of Celgene's China operations;

- $2.3 million increase of share-based compensation expense, primarily attributable to our increased headcount; and

- $1.8 million increase of facility and travel expenses, rental fees and other selling, administrative expenses, primarily attributable to the global expansion of our business, including the post-combination operating costs of BeiGene Pharmaceutical (Shanghai).

Interest Income (Expense), Net

Interest expense (net) increased by $1.7 million for the three months ended September 30, 2017 as compared to the three months ended September 30, 2016. The increase in interest expense was primarily attributable to interest accrued for the long-term bank loan and Shareholder Loan.

Gain on Sale of Available-for-sale Securities

The gain on sale of available-for-sale securities was nil for the three months ended September 30, 2017, compared to a nominal loss for the three months ended September 30, 2016.

Other Income (Expense), Net

Other income (expense), net, increased by $1.4 million for the three months ended September 30, 2017, compared with the three months ended September 30, 2016. Other income (expense), net primarily consisted of government grants received and foreign currency exchange gains/losses recognized.

Income Tax Benefit (Expense)

Income tax benefit was $3.1 million for the three months ended September 30, 2017 compared with income tax expense of $0.1 million for the three months ended September 30, 2016. The income tax benefit in the three months ended September 30, 2017 was primarily attributable to the effect of estimated realized research and development tax credits and the U.S. Orphan Drug Credit related to BeiGene USA.

Comparison of the Nine Months Ended September 30, 2017 and 2016

Revenue

Product revenue was $8.8 million for the nine months ended September 30, 2017 and relates to the exclusive distribution and promotion of ABRAXANE® and REVLIMID® in China.

Collaboration revenue increased by $210.3 million to $211.4 million for the nine months ended September 30, 2017 from $1.1 million for the nine months ended September 30, 2016. The increase in revenue was primarily due to revenue recognition related to the license fee under our collaboration agreement with Celgene and Celgene Switzerland with respect to BGB-A317 .

Research and Development Expense

Research and development expense increased by $108.6 million, or 157.1%, to $177.7 million for the nine months ended September 30, 2017 from $69.1 million for the nine months ended September 30, 2016. The following table summarizes external clinical, external preclinical and internal research and development expense for the nine months ended September 30, 2017 and 2016, respectively:

	Nine Months Ended September 30,		
	2017	2016	Changes
	(in thousands)		
External cost of clinical-stage programs	$ 92,099	$ 37,221	$ 54,878
External cost of preclinical-stage programs	8,943	5,150	3,793
Internal research and development expenses	76,636	26,729	49,907
Total research and development expenses	$ 177,678	$ 69,100	$ 108,578

The increase in external research and development expense was primarily attributable to the advancement of our clinical and preclinical pipeline, and included:

- increases of approximately $33.4 million, $12.2 million and $11.4 million, respectively, for BGB-3111, BGB-A317 and BGB-290, offset by a decrease of approximately $2.1 million for BGB-283. The expense increases were primarily due to the expansion of our ongoing clinical development plan, including the initiation of two global Phase 1 and Phase 1b/2 combination trials of BGB-290, the continued enrollment of our three global registrational BGB-3111 trials, the initiation of a pivotal Phase 2 BGB-3111 trial and a Phase 2 BGB-3111 combination trial in China, and the initiation of a registrational trial and two Phase 2 combination trials of BGB-A317 in China; and

- increase of approximately $3.8 million in external spending for our preclinical-stage programs, primarily related to costs associated with advancing our next preclinical candidate toward clinical trials.

The increase in internal research and development expense was primarily attributable to the expansion of our development organization and our pipeline, and included the following:

- $20.7 million increase of employee salaries and benefits, which was primarily attributable to hiring more research and development personnel to support our expanding research and clinical activities;

- $14.5 million increase of share-based compensation expense ($19.7 million in the nine months ended September 30, 2017 compared to $5.2 million in the nine months ended September 30, 2016), primarily attributable to our increased headcount, as well as the increased valuation of non-employee grants;

- $3.6 million increase of materials and reagent expenses, mainly in connection with the in-house manufacture of drug candidates used for clinical purposes, that were previously outsourced and recorded as external cost; and

- $11.1 million increase of consulting fees, facilities, travel, rental fee and other expenses, primarily attributable to the global expansion of our company.

Selling, General and Administrative Expense

Selling, general and administrative expense increased by $23.4 million, or 199.2%, to $35.2 million for the nine months ended September 30, 2017 from $11.8 million for the nine months ended September 30, 2016. The increase was primarily attributable to the following:

- $7.7 million increase of professional fees for legal, consulting, recruiting and audit services, mainly in connection with our patent prosecution activities, consulting services, business development activities, including the Guangzhou joint venture and Celgene transactions, recruiting services and the preparation of periodic reports;

- $6.1 million increase of employee salaries and benefits, which was primarily attributable to hiring of more personnel to support our growing organization, including the acquired workforce in the acquisition of Celgen's China operations;

- $5.2 million increase of share-based compensation expense, primarily attributable to our increased headcount; and

- $4.4 million increase of office, travel, rental fee and other administrative expenses, primarily attributable to the global expansion of our company, including the post-combination operating costs of BeiGene Pharmaceutical (Shanghai).

Interest Income (Expense), Net

Net interest (expense) income decreased by $3.9 million for the nine months ended September 30, 2017 as compared to the nine months ended September 30, 2016. The decrease was primarily attributable to increase of interest expense from the long-term bank loan and Shareholder Loan.

Changes in Fair Value of Financial Instruments

Loss from changes in fair value of financial instruments was nil for the nine months ended September 30, 2017, compared with $1.5 million for the nine months ended September 30, 2016. The decrease in loss from changes in fair value of financial instruments was primarily attributable to change in the fair value of warrants and option liabilities, both of which were exercised in January 2016 and February 2016 in connection with the IPO.

Gain on Sale of Available-for-sale Securities

The gain on sale of available-for-sale securities was nominal for the nine months ended September 30, 2017, compared to a loss of $1.1 million for the nine months ended September 30, 2016.

Other Income, Net

Net other income increased by $0.8 million to $1.5 million for the nine months ended September 30, 2017 from $0.7 million for the nine months ended September 30, 2016. Net other income primarily consisted of government grants received and foreign currency exchange gains/losses recognized.

Income Tax Expense

Income tax benefit was $2.7 million for the nine months ended September 30, 2017, compared with income tax expense of $0.3 million for the nine months ended September 30, 2016. The income tax benefit in the nine months ended

September 30, 2017 was primarily attributable to the effect of estimated realized research and development tax credits and the U.S. Orphan Drug Credit related to BeiGene USA.

Liquidity and Capital Resources

Since inception, we have incurred net losses and negative cash flows from our operations except for net income in the current reporting period due to recognition of an up-front license fee under our exclusive license agreement with Celgene. Substantially all of our losses have resulted from funding our research and development programs, selling costs and general and administrative costs associated with our operations. We incurred net income of $117.3 million and $6.0 million, respectively, for the three and nine months ended September 30, 2017, and net loss of $35.5 million and $81.6 million, respectively, for the three and nine months ended September 30, 2016. As of September 30, 2017, we had an accumulated deficit of $231.2 million. Our primary use of cash is to fund research and development costs. Our operating activities used $81.0 million and $63.4 million of cash flows during the nine months ended September 30, 2017 and 2016, respectively. Historically, we have financed our operations principally through proceeds from public and private offerings of our securities and proceeds from our collaboration agreements, such as those with Merck KGaA, Darmstadt Germany and Celgene . During the three months ended September 30, 2017, we raised an aggregate of $601.4 million, consisting of $188.5 million in net proceeds from a public offering of our ordinary shares, $149.9 million in net proceeds from the sale of ordinary shares to Celgene in connection with our collaboration agreement, and $263.0 million in up-front license fees under our collaboration agreement with Celgene, of which $171.0 million is due in December 2017.

As of September 30, 2017, we had cash, cash equivalents and short-term investments of $757.4 million, including approximately $91.6 million of cash held by BeiGene Biologics to build a commercial biologics facility in Guangzhou, China and to fund research and development of biologics drug candidates in China. In addition, we had $10.5 million of accounts receivable related to product sales and $171.0 million of unbilled receivables related to the balance of the upfront fees from Celgene, payable to us in December 2017.

The following table provides information regarding our cash flows for the nine months ended September 30, 2017 and 2016:

	Nine Months Ended September 30,	
	2017	2016
	(in thousands)	
Net cash used in operating activities	$ (80,997)	$ (63,373)
Net cash used in investing activities	(288,077)	(51,129)
Net cash provided by financing activities	487,308	182,210
Net effect of foreign exchange rate changes	2,762	(45)
Net increase in cash and cash equivalents	$ 120,996	$ 67,663

Net Cash Used in Operating Activities

The use of cash in all periods presented resulted primarily from our net losses adjusted for non-cash charges and changes in components of working capital. The primary use of our cash in all periods presented was to fund research and development, regulatory and other clinical trial costs, selling costs and related supporting administrative expenses. Our prepaid expenses and other current assets, accounts payable and accrued expense balances in all periods presented were affected by the timing of vendor invoicing and payments.

During the nine months ended September 30, 2017, operating activities used $81.0 million of cash, which resulted principally from our net income of $6.0 million, adjusted for non-cash charges of $28.1 million and by cash used in operations due to increased operating assets and liabilities of $115.1 million. Our operating assets increased $10.5 million for accounts receivable related to product sales and $171.0 million for unbilled receivables related to the balance of the upfront fees from Celgene due in December 2017. Operating liabilities increased $38.6 million related to deferred revenue under the Celgene collaboration and $45.1 million due to increased payables and accrued expenses from increased payroll-related costs, R&D external costs and selling, general and administrative expenses to support our growing business. Our net non-cash charges during the nine months ended September 30, 2017 primarily consisted of

$26.4 million of share-based compensation expense, $4.8 million of non-cash interest expense and $2.7 million of depreciation expense, offset by $5.9 million related to deferred tax benefits.

During the nine months ended September 30, 2016, operating activities used $63.4 million of cash, which resulted principally from our net loss of $81.6 million, adjusting for non-cash charges of $10.7 million and interest expense of $0.1 million, and by cash provided by operations due to decreased operating assets and liabilities of $7.4 million. Our net non-cash charges during the nine months ended September 30, 2016 primarily consisted of a $1.4 million depreciation charge, a $6.7 million share-based compensation expense, a $1.1 million disposal loss on available-for-sale securities and a $1.5 million loss from changes in the fair value of financial instruments.

Net Cash Used in Investing Activities

Net cash used in investing activities was $288.1 million for the nine months ended September 30, 2017, compared to $51.1 million for the nine months ended September 30, 2016. The increase in cash used in investing activities was primarily due to $218.1 million of net purchases of available-for-sale securities, $50.1 million of investment in time deposits, $27.4 million paid to purchase property and equipment, primarily related to our Guangzhou and Suzhou manufacturing facilities, and $12.4 million paid to acquire land use rights in Guangzhou, China, partially offset by $19.9 million of cash acquired in the acquisition of BeiGene Pharmaceutical (Shanghai), net of cash paid .

Net Cash Provided by Financing Activities

Net cash provided by financing activities was $487.3 million for the nine months ended September 30, 2017, compared to $182.2 million for the nine months ended September 30, 2016. During the nine months ended September 30, 2017, we received $132.8 million of proceeds from the Shareholder Loan, $14.5 million from the capital contribution in BeiGene Biologics by GET, $188.5 million of net proceeds from our follow-on offering, net of underwriter discount and offering costs, $149.9 million from equity contribution by Celgene Switzerland, net of offering costs and $1.6 million from the exercise of employee options. During the nine months ended September 30, 2016, we received net proceeds of $167.9 million from our initial public offering, net of underwriter discount and offering costs, $12.2 million from a long-term bank loan and $2.1 million from the exercise of warrants and options.

Operating Capital Requirements

We do not expect to generate significant revenue from product sales of our internally developed drug candidates unless and until we obtain regulatory approval of and commercialize one of our current or future drug candidates. We have exclusive rights to distribute and promote Celgene's approved cancer therapies in China, for which we began recognizing revenue in the third quarter of 2017. We anticipate that we will continue to generate losses for the foreseeable future, and we expect our losses to increase as we continue the development of, and seek regulatory approvals for, our drug candidates, and prepare for commercialization and begin to commercialize any approved products. As a growing public company, we will continue to incur additional costs associated with our operations. In addition, we expect to incur significant commercialization expenses for product sales, marketing and manufacturing of our in-licensed drug products in China and, subject to obtaining regulatory approval, our drug candidates. Accordingly, we anticipate that we will need substantial additional funding in connection with our continuing operations.

Based on our current operating plan, we expect that our existing cash, cash equivalents and short-term investments as of September 30, 2017, will enable us to fund our operating expenses and capital expenditures requirements for at least the next 12 months after the date that the financial statements included in this report are issued. We expect that our expenses will continue to increase substantially as we fund clinical development of BGB-3111, BGB-A317, BGB-290 and BGB-283 as monotherapies and in combination, fund new and ongoing research and development activities and working capital and other general corporate purposes. We have based our estimates on assumptions that may prove to be wrong, and we may use our available capital resources sooner than we currently expect. Because of the numerous risks and uncertainties associated with the development and commercialization of our drug candidates, we are unable to estimate the amounts of increased capital outlays and operating expenditures necessary to complete the development and commercialization of our drug candidates.

Our future capital requirements will depend on many factors, including:

- the costs, timing and outcome of regulatory reviews and approvals;
- the ability of our drug candidates to progress through clinical development successfully;
- the initiation, progress, timing, costs and results of nonclinical studies and clinical trials for our other programs and potential drug candidates;
- the number and characteristics of the drug candidates we pursue;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims;
- the costs of establishing and expanding our commercial operations;
- the extent to which we acquire or in-license other products and technologies; and
- our ability to maintain and establish collaboration arrangements on favorable terms, if at all.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances, licensing arrangements and government grants. Under SEC rules, we currently qualify as a "well-known seasoned issuer," which allows us to file shelf registration statements to register an unspecified amount of securities that are effective upon filing. On May 26, 2017, we filed such a shelf registration statement with the SEC for the issuance of an unspecified amount of ordinary shares (including in the form of ADSs), preferred shares, various series of debt securities and/or warrants to purchase any of such securities, either individually or in units, from time to time at prices and on terms to be determined at the time of any such offering. This registration statement was effective upon filing and will remain in effect for up to three years from filing. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our shareholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a holder of ADSs or ordinary shares. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends and may require the issuance of warrants, which could potentially dilute your ownership interest. If we raise additional funds through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams or research programs or to grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings, collaborations or other sources when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market products or drug candidates that we would otherwise prefer to develop and market ourselves.

Contractual Obligations and Commitments

The following table summarizes our significant contractual obligations as of the payment due date by period at September 30, 2017:

	Payments Due by Period				
	Total	Less Than 1 Year	1–3 Years	3–5 Years	More Than 5 Years
	(in thousands)				
Contractual obligations					
Operating lease commitments	$ 23,081	$ 5,960	$ 9,884	$ 5,290	$ 1,947
Debt obligations	158,347	9,018	9,018	—	140,311
Capital commitments	36,149	36,149	—	—	—
Total	$ 217,577	$ 51,127	$ 18,902	$ 5,290	$ 142,258

Operating Lease Commitments

We lease office or manufacturing facilities in Beijing , Shanghai , Suzhou and Guangzhou, PRC and office facilities in the United States in California, Massachusetts and New Jersey under non-cancelable operating leases expiring on different dates. Payments under operating leases are expensed on a straight-line basis over the periods of the respective leases. The future minimum payments under these non-cancelable operating leases are summarized in the table above.

Long-term Debt Obligations

Long-term Bank Loan

On September 2, 2015, BeiGene (Suzhou) entered into a loan agreement with Suzhou Industrial Park Biotech Development Co., Ltd. and China Construction Bank, to borrow $18.0 million at a 7% fixed annual interest rate. As of September 30, 2017, we have drawn down the entire $18.0 million, which is secured by BeiGene (Suzhou)'s equipment with a carrying amount of $23.3 million and our rights to a PRC patent on a drug candidate. $9.0 million is repayable on each of September 30, 2018 and 2019.

Shareholder Loan

On March 7, 2017, BeiGene Biologics entered into a Shareholder Loan Contract with GET, pursuant to which, GET provided a Shareholder Loan to BeiGene Biologics with the principal of RMB900 million at an 8% fixed annual interest rate. The term of the Shareholder Loan is 72 months, commencing from the actual drawdown date of April 14, 2017 and ending on April 13, 2023, unless converted earlier. On April 14, 2017, we drew down the entire RMB900 million from GET.

Capital Commitments

We had capital commitments amounting to $36.1 million for the acquisition of property, plant and equipment as of September 30, 2017, which was primarily for BeiGene Guangzhou Factory's manufacturing facility in Guangzhou, China.

Other Business Agreements

We enter into agreements in the normal course of business with CROs and institutions to license intellectual property. We have not included these future payments in the table of contractual obligations above since the contracts are cancelable at any time by us with prior written notice.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined under SEC rules, such as relationships with unconsolidated entities or financial partnerships, which are often referred to as structured finance or special purpose entities, established for the purpose of facilitating financing transactions that are not required to be reflected on our balance sheets.

Critical Accounting Policies and Significant Judgments and Estimates

Our discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent assets and liabilities at the date of our financial statements and the reported amounts of revenues and expenses during the periods. We evaluate our estimates and judgments on an ongoing basis, including but not limited to, estimating the useful lives of long-lived assets, identifying separate accounting units and estimating the best estimate selling price of each deliverable in our revenue arrangements, assessing the impairment of long-lived assets, share-based compensation expenses, realizability of deferred tax assets and the fair value of warrant and option liabilities. We base our estimates on historical experience, known trends and events, contractual milestones and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Our actual results may differ from these estimates under different assumptions or conditions.

There have been no material changes to our critical accounting policies from those described in the section titled "Part II—Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report. For financial statement items relating to the three months ended September 30, 2017, see the accounting policies described in "Notes to the Condensed Consolidated Financial Statements—2. Summary of significant accounting policies" of this Quarterly Report on Form 10-Q.

Recent Accounting Pronouncements

See Note 2 to our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q for information regarding recent accounting pronouncements.

JOBS Act

Under Section 107(b) of the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, an "emerging growth company" can delay the adoption of new or revised accounting standards until such time as those standards would apply to private companies. We have irrevocably elected not to avail ourselves of this exemption and, as a result, we will adopt new or revised accounting standards at the same time as other public companies that are not emerging growth companies. For example, as an emerging growth company, we are exempt from Sections 14A(a) and (b) of the Exchange Act which would otherwise require us to (1) submit certain executive compensation matters to shareholder advisory votes, such as "say-on-pay," "say-on-frequency" and "golden parachutes;" and (2) disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of our chief executive officer's compensation to our median employee compensation. We also rely on an exemption from the rule requiring us to provide an auditor's attestation report on our internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act and the rule requiring us to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, known as the auditor discussion and analysis.

We have determined that, as of June 30, 2017, we have at least $700 million of equity securities held by non-affiliates, and as such we will no longer qualify as an emerging growth company as of December 31, 2017. As a result,

we will no longer be able to take advantage of specified reduced disclosure and other requirements that are available to emerging growth companies after such date.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Interest and Credit Risk

Financial instruments that are potentially subject to credit risk consist of cash and cash equivalents and short-term investments. The carrying amounts of cash and cash equivalents and short-term investments represent the maximum amount of loss due to credit risk. We had cash and cash equivalents of $208.5 million and $87.5 million and short-term investments of $548.9 million and $280.7 million at September 30, 2017 and December 31, 2016, respectively. At September 30, 2017, our cash and cash equivalents were deposited with various major reputable financial institutions located in the PRC and international financial institutions outside of the PRC. The deposits placed with these financial institutions are not protected by statutory or commercial insurance. In the event of bankruptcy of one of these financial institutions, we may be unlikely to claim our deposits back in full. We believe that these financial institutions are of high credit quality, and we continually monitor the credit worthiness of these financial institutions. At September 30, 2017, our short-term investments consisted primarily of U.S. Treasury securities and time deposits. We believe that the U.S. Treasury securities are of high credit quality and continually monitor the credit worthiness of these institutions.

The primary objectives of our investment activities are to preserve principal, provide liquidity and maximize income without significant increasing risk. Our primary exposure to market risk relates to fluctuations in the interest rates which are affected by changes in the general level of PRC and U.S. interest rates. Given the short-term nature of our cash equivalents, we believe that a sudden change in market interest rates would not be expected to have a material impact on our financial condition and/or results of operation. We estimate that a hypothetical 100-basis point change in market interest rates would impact the fair value of our investment portfolio as of September 30, 2017 by $2.3 million.

We do not believe that our cash, cash equivalents and short-term investments have significant risk of default or illiquidity. While we believe our cash and cash equivalents do not contain excessive risk, we cannot provide absolute assurance that in the future investments will not be subject to adverse changes in market value.

Foreign Currency Exchange Rate Risk

We are exposed to foreign exchange risk arising from various currency exposures. Our functional currency is the U.S. dollar, but a portion of our operating transactions and assets and liabilities are in other currencies, such as RMB, Australian dollar and Euro. We do not believe that we currently have any significant direct foreign exchange risk and have not used any derivative financial instruments to hedge exposure to such risk.

RMB is not freely convertible into foreign currencies for capital account transactions. The value of RMB against the U.S. dollar and other currencies is affected by, among other things, changes in China's political and economic conditions and China's foreign exchange prices. From July 21, 2005, the RMB is permitted to fluctuate within a narrow and managed band against a basket of certain foreign currencies. For the RMB against U.S. dollars, there was appreciation of approximately 4.4% in the nine months ended September 30, 2017 and depreciation of approximately 6.3% in the year ended December 31, 2016, respectively. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between the RMB and the U.S. dollar in the future.

To the extent that we need to convert U.S. dollars into RMB for capital expenditures and working capital and other business purpose, appreciation of RMB against the U.S. dollar would have an adverse effect on the RMB amount we would receive from the conversion. Conversely, if we decide to convert RMB into U.S. dollars for the purpose of making payments for dividends on our ordinary shares, strategic acquisitions or investments or other business purposes, appreciation of the U.S. dollar against RMB would have a negative effect on the U.S. dollar amount available to us.

In addition, a significant depreciation of the RMB against the U.S. dollar may significantly reduce the U.S. dollar equivalent of our earnings or losses.

Currency Convertibility Risk

A majority of our expenses and a significant portion of our assets and liabilities are denominated in RMB. On January 1, 1994, the PRC government abolished the dual rate system and introduced a single rate of exchange as quoted daily by the People's Bank of China, or PBOC. However, the unification of exchange rates does not imply that the RMB may be readily convertible into U.S. dollars or other foreign currencies. All foreign exchange transactions continue to take place either through the PBOC or other banks authorized to buy and sell foreign currencies at the exchange rates quoted by the PBOC. Approvals of foreign currency payments by the PBOC or other institutions require submitting a payment application form together with suppliers' invoices, shipping documents and signed contracts.

Additionally, the value of the RMB is subject to changes in central government policies and international economic and political developments affecting supply and demand in the PRC foreign exchange trading system market.

Effects of Inflation

Inflation generally affects us by increasing our cost of labor and clinical trial costs. We do not believe that inflation has had a material effect on our results of operations during the nine months ended September 30, 2017.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2017. The term "disclosure controls and procedures," as defined in Rule 13a-15(e) under the Exchange Act means controls and other procedures of a company that are designed to ensure that information required to be disclosed by the company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well-designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of September 30, 2017, our management, including our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the three months ended September 30, 2017, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. We are not presently a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, results of operations, financial condition or cash flows. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors.

The following section includes the most significant factors that may adversely affect our business and operations. You should carefully consider the risks and uncertainties described below and all information contained in this Quarterly Report, including our financial statements and the related notes and "Part I—Item 2—Management's Discussion and Analysis of Financial Condition and Results of Operations," before deciding to invest in the ADSs. The occurrence of any of the events or developments described below could harm our business, financial condition, results of operations and growth prospects. In such an event, the market price of the ADSs could decline and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations.

The risk factors denoted with a "" are newly added or have been materially updated from our Annual Report.*

Risks Related to Our Financial Position and Need for Additional Capital

We are a globally focused biopharmaceutical company and have a limited operating history, which may make it difficult to evaluate our current business and predict our future performance.

We are a globally focused biopharmaceutical company formed in October 2010. Our operations to date have focused on organizing and staffing our company, business planning, raising capital, establishing our intellectual property portfolio and conducting preclinical studies and clinical trials of our current drug candidates, such as BGB-3111, BGB-A317, BGB-290 and BGB-283. We have not yet demonstrated an ability to successfully complete large-scale, registrational clinical trials, obtain regulatory approvals, manufacture a commercial scale drug, or arrange for a third party to do so on our behalf, or conduct sales and marketing activities necessary for successful commercialization. We have not yet obtained regulatory approval for, or demonstrated an ability to commercialize, any of our internally developed drug candidates. We have no internally developed products approved for commercial sale and have not generated any revenue from internally developed product sales. Since September 2017, we have generated revenues from the sale of ABRAXANE®, REVLIMID®, and VIDAZA® under a license from Celgene Corporation as described in this Quarterly Report. Consequently, any predictions you make about our future success or viability may not be as accurate as they could be if we had a longer operating history. In addition, as an early-stage business, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors.

We are focused on the discovery, development and commercialization of innovative, molecularly targeted and immuno-oncology drugs for the treatment of cancers. Our limited operating history, particularly in light of the rapidly evolving cancer treatment field, may make it difficult to evaluate our current business and predict our future performance. Our short history makes any assessment of our future success or viability subject to significant uncertainty. We will encounter risks and difficulties frequently experienced by early-stage companies in rapidly evolving fields as we seek to transition to a company capable of supporting commercial activities. If we do not address these risks and difficulties successfully, our business will suffer.

We have a history of incurring net losses and anticipate that we will continue to incur net losses for the foreseeable future.

Investment in pharmaceutical product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that a drug candidate will fail to gain regulatory approval or become commercially viable. We have devoted most of our financial resources to research and development, including our nonclinical development activities and clinical trials. We continue to incur significant development and other expenses related to our ongoing operations. As a result, we are not profitable and have incurred losses in each period since our inception in 2010, except in the third quarter of 2017, where we were profitable due to revenue recognized from up-front license fees in connection with our strategic collaboration with Celgene. As of September 30, 2017, we had a deficit accumulated of $231.2 million. Substantially all of our operating losses have resulted from costs incurred in connection with our research and development programs and from selling, general and administrative costs associated with our operations.

We expect to continue to incur losses for the foreseeable future, and we expect these losses to increase as we continue our development of, and seek regulatory approvals for, our drug candidates, and begin to commercialize the approved drugs we have licensed from Celgene in China and any other drugs that we may successfully develop or license. Typically, it takes many years to develop one new drug from the time it is discovered to when it is available for treating patients. We may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect our business. The size of our future net losses will depend, in part, on the rate of future growth of our expenses, our ability to generate revenues and the timing and amount of milestones and other required payments to third parties in connection with our potential future arrangements with third parties. If any of our drug candidates fail in clinical trials or do not gain regulatory approval, or if approved, fail to achieve market acceptance, we may never become profitable. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods. Our prior losses and expected future losses have had, and will continue to have, an adverse effect on our shareholders' equity and working capital.

We expect our research and development expenses to continue to be significant in connection with our continued investment in our cancer biology platform and our ongoing and planned clinical trials for our drug candidates, such as BGB-3111, BGB-A317, BGB-290 and BGB-283. Furthermore, we expect to incur increased sales and marketing expenses for the approved drugs we have licensed from Celgene in China and any other drugs that we may successfully develop or license. In addition, we will continue to incur costs associated with operating as a public company and in support of our growth as a global biotechnology company. As a result, we expect to continue to incur significant and increasing operating losses and negative cash flows for the foreseeable future. These losses have had and will continue to have a material adverse effect on our shareholders' deficit, financial position, cash flows and working capital.

We may never become profitable.

Our ability to generate revenue and become profitable depends upon our ability to successfully complete the development of, and obtain the necessary regulatory approvals for, our drug candidates, such as BGB-3111, BGB-A317, BGB-290 and BGB-283 and successfully market our in-licensed drugs in China and any other drugs that we may successfully develop or license . We expect to continue to incur substantial and increasing losses through the commercialization of our in-licensed drugs and internally developed drug candidates, if approved. None of our internally developed drug candidates have been approved for marketing in the United States, the European Union, the People's Republic of China, or PRC, or any other jurisdiction and may never receive such approval. Our ability to achieve revenue and profitability is in part dependent on our ability to complete the development of our drug candidates, obtain necessary regulatory approvals, and have our drugs manufactured and successfully marketed.

Even if we receive regulatory approval of our drug candidates for commercial sale, we do not know when they will generate revenue, if at all. Our ability to generate product sales revenue depends on a number of factors, including our ability to continue:

- completing research regarding, and nonclinical and clinical development of, our drug candidates;
- obtaining regulatory approvals for drug candidates for which we complete clinical trials;
- obtaining adequate reimbursement from third-party payors, including government payors;
- developing a sustainable and scalable manufacturing process for our drugs and drug candidates, including establishing and maintaining commercially viable supply relationships with third parties and establishing our own manufacturing capabilities and infrastructure;
- launching and commercializing our drugs and any drug candidates for which we obtain regulatory approvals, either directly or with a collaborator or distributor;
- obtaining market acceptance of our drugs and drug candidates as viable treatment options;

- identifying, assessing, acquiring and/or developing new drugs and drug candidates;
- addressing any competing technological and market developments;
- negotiating and maintaining favorable terms in any collaboration, licensing or other arrangements into which we may enter, such as our collaboration arrangements with Celgene and Merck KGaA, Darmstadt Germany;
- maintaining, protecting and expanding our portfolio of intellectual property rights, including patents, trade secrets and know-how; and
- attracting, hiring and retaining qualified personnel.

In addition, because of the numerous risks and uncertainties associated with drug development, we are unable to predict the timing or amount of increased expenses, or when, or if, we will be able to achieve or maintain profitability. In addition, our expenses could increase beyond expectations if we are required by the FDA, the CFDA, the EMA, or other comparable regulatory authorities to perform studies in addition to those that we currently anticipate. Even if our drug candidates are approved for commercial sale, we anticipate incurring significant costs associated with the commercial launch of these drugs.

Our ability to become and remain profitable depends on our ability to generate revenue. Even if we are able to generate revenues from the sale of our in-licensed drugs and any other drugs that we may successfully develop or license, we may not become profitable and may need to obtain additional funding to continue operations. If we fail to become profitable or are unable to sustain profitability on a continuing basis, then we may be unable to continue our operations at planned levels and be forced to reduce our operations. Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable would decrease the value of our company and could impair our ability to raise capital, expand our business or continue our operations. Failure to become and remain profitable may adversely affect the market price of the ADSs and our ability to raise capital and continue operations.

We will need to obtain additional financing to fund our operations, and if we are unable to obtain such financing, we may be unable to complete the development and commercialization of our primary drug candidates.

We have financed our operations with a combination of equity and debt offerings, collaboration and license agreements, and private and public grants. Since our inception through September 30, 2017, we have raised approximately $1.0 billion, consisting of an aggregate of $180.0 million in private financings prior to our IPO; an aggregate of $553.3 million in our IPO and follow-on public offerings, including most recently $188.5 million in net proceeds in August 2017; $150.0 million from an equity investment from Celgene in connection with our collaboration agreement; and an aggregate of $300.0 million from upfront and milestone payments through our collaboration arrangements with Merck KGaA, Darmstadt Germany and Celgene, including $171 million in upfront license fees expected to be received under our Celgene agreement in December 2017. In addition, under our collaboration with Celgene, we are eligible to receive up to $980 million in development, regulatory and sales milestone payments and royalties in the low-double digit to mid-twenty percentages on any future sales of BGB-A317, based on specified terms. While we have generated product revenue in China since September 2017 from sales of our approved drugs licensed from Celgene, our drug candidates will require the completion of clinical development, regulatory review, significant marketing efforts and substantial investment before they can provide us with additional product sales revenue.

Our operations have consumed substantial amounts of cash since inception. Our operating activities used $81.0 million and $63.4 million of net cash during the nine months ended September 30, 2017 and 2016, respectively. We expect to continue to spend substantial amounts on drug discovery, advancing the clinical development of our drug candidates, commercializing our approved drugs and launching and commercializing any drug candidates for which we receive regulatory approval, including building our own commercial organization to address China and other markets.

We will need to obtain additional financing to fund our future operations, including completing the development and potential commercialization of our primary drug candidates: BGB-3111, BGB-A317, BGB-290 and BGB-283. We

will need to obtain additional financing to conduct additional clinical trials for the approval of our drug candidates if requested by regulatory bodies, and completing the development of any additional drug candidates we might discover. Moreover, our fixed expenses such as rent, interest expense and other contractual commitments are substantial and are expected to increase in the future.

Our forecast of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties, and actual results could vary as a result of a number of factors, including the factors discussed elsewhere in this "Risk Factors" section. We have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently expect. Our future funding requirements will depend on many factors, including, but not limited to:

- the progress, timing, scope and costs of our clinical trials, including the ability to timely enroll patients in our planned and potential future clinical trials;
- the outcome, timing and cost of regulatory approvals by the FDA, CFDA, EMA and comparable regulatory authorities, including the potential that the FDA, CFDA, EMA or comparable regulatory authorities may require that we perform more studies than those that we currently expect;
- the number and characteristics of drug candidates that we may in-license and develop;
- our ability to successfully commercialize our drugs and drug candidates;
- the amount of sales and other revenues from the drugs and drug candidates that we may commercialize, if any, including the selling prices for such products and the availability of adequate third-party reimbursement;
- the amount and timing of the milestone and royalty payments we receive from our collaborators under our licensing arrangements, such as our collaborations with Merck KGaA, Darmstadt Germany and Celgene;
- the cost of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights;
- selling and marketing costs associated with our current drug products in China and any future drug candidates that may be approved, including the cost and timing of expanding our marketing and sales capabilities;
- the terms and timing of any potential future collaborations, licensing or other arrangements that we may establish;
- cash requirements of any future acquisitions and/or the development of other drug candidates;
- the costs of operating as a public company;
- the cost and timing of development and completion of commercial-scale internal or outsourced manufacturing activities;
- the time and cost necessary to respond to technological and market developments; and
- the costs of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights.

Until we can generate a sufficient amount of revenue, we may finance future cash needs through public or private equity offerings, license agreements, debt financings, collaborations, strategic alliances and marketing or distribution arrangements. Additional funds may not be available when we need them on terms that are acceptable to us, or at all. General market conditions or the market price of the ADSs may not support capital raising transactions such as an additional public or private offering of the ADSs or other securities. In addition, our ability to raise additional capital may be dependent upon the ADSs being quoted on the NASDAQ or upon obtaining shareholder approval. There can be

no assurance that we will be able to satisfy the criteria for continued listing on the NASDAQ or that we will be able to obtain shareholder approval if it is necessary. If adequate funds are not available, we may be required to delay or reduce the scope of or eliminate one or more of our research or development programs or our commercialization efforts. We may seek to access the public or private capital markets whenever conditions are favorable, even if we do not have an immediate need for additional capital at that time. In addition, if we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams or drug candidates or to grant licenses on terms that may not be favorable to us.

We believe that our existing cash and cash equivalents, will not be sufficient to enable us to complete all global development or commercially launch our current drug candidates for the currently anticipated indications and to invest in additional programs. Accordingly, we will require further funding through other public or private offerings, debt financing, collaboration and licensing arrangements or other sources. Adequate additional funding may not be available to us on acceptable terms, or at all. If we are unable to raise capital when needed or on attractive terms, we would be forced to delay, reduce or eliminate our research and development programs or future commercialization efforts. Our inability to obtain additional funding when we need it could seriously harm our business.

Raising additional capital may cause dilution to our shareholders, restrict our operations or require us to relinquish rights to our technologies or drug candidates.

We may seek additional funding through a combination of equity offerings, debt financings, collaborations and licensing arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms may include liquidation or other preferences that adversely affect your rights as a holder of the ADSs or our ordinary shares. The incurrence of additional indebtedness or the issuance of certain equity securities could result in increased fixed payment obligations and could also result in certain additional restrictive covenants, such as limitations on our ability to incur additional debt or issue additional equity, limitations on our ability to acquire or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. In addition, issuance of additional equity securities, or the possibility of such issuance, may cause the market price of the ADSs to decline. In the event that we enter into collaborations or licensing arrangements in order to raise capital, we may be required to accept unfavorable terms, including relinquishing or licensing to a third party on unfavorable terms our rights to technologies or drug candidates that we otherwise would seek to develop or commercialize ourselves or potentially reserve for future potential arrangements when we might be able to achieve more favorable terms.

Fluctuations in exchange rates could result in foreign currency exchange losses and could materially reduce the value of your investment.

We incur portions of our expenses, and may in the future derive revenues, in currencies other than the U.S. dollar, in particular, the RMB and Australian dollars. As a result, we are exposed to foreign currency exchange risk as our results of operations and cash flows are subject to fluctuations in foreign currency exchange rates. For example, a significant portion of our clinical trial activities are conducted outside of the United States, and associated costs may be incurred in the local currency of the country in which the trial is being conducted, which costs could be subject to fluctuations in currency exchange rates. We currently do not engage in hedging transactions to protect against uncertainty in future exchange rates between particular foreign currencies and the U.S. dollar. A decline in the value of the U.S. dollar against currencies in countries in which we conduct clinical trials could have a negative impact on our research and development costs. We cannot predict the impact of foreign currency fluctuations, and foreign currency fluctuations in the future may adversely affect our financial condition, results of operations and cash flows.

The value of the RMB against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in political and economic conditions and the foreign exchange policy adopted by the PRC, Australia and other non-U.S. governments. For instance, in August 2015, the People's Bank of China, or PBOC, changed the way it calculates the mid-point price of Renminbi against the U.S. dollar, requiring the market-makers who submit for reference rates to consider the previous day's closing spot rate, foreign-exchange demand and supply as well as changes in major currency rates. It is difficult to predict how market forces or PRC, Australia, other non-U.S. governments and U.S.

government policies may impact the exchange rate of RMB and the U.S. dollar or any other currencies in the future. There remains significant international pressure on the PRC government to adopt a more flexible currency policy, including from the U.S. government, which has threatened to label China as a "currency manipulator," which could result in greater fluctuation of the RMB against the U.S. dollar.

It is difficult to predict how market forces or PRC, Australian, U.S. or other government policies may impact the exchange rate between the Australian dollar, RMB, U.S. dollar and other currencies in the future. There remains significant international pressure on the PRC government to adopt a more flexible currency policy, which could result in greater fluctuation of the RMB against the U.S. dollar. Substantially all of our revenues are denominated in U.S. dollars and our costs are denominated in U.S. dollars, Australian dollars and RMB, and a large portion of our financial assets and a significant portion of our debt is denominated in U.S. dollars. Any significant revaluation of the RMB may materially reduce any dividends payable on the ADSs in U.S. dollars. To the extent that we need to convert U.S. dollars we received from our initial public offering and follow-on public offering into RMB for our operations, appreciation of the RMB against the U.S. dollar would have an adverse effect on the RMB amount we would receive. Conversely, if we decide to convert our RMB into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollar against the RMB would have a negative effect on the U.S. dollar amount we would receive.

Our investments are subject to risks that could result in losses.

We had cash, cash equivalents and short-term investments of $757.4 million and $368.2 million at September 30, 2017 and December 31, 2016, respectively. In addition, we expect to receive $171 million in upfront license fees under our Celgene collaboration in December 2017. At September 30, 2017, our short-term investments mainly consisted of U.S. Treasury securities and time deposits. We may invest our cash in a variety of financial instruments, principally securities issued by the U.S. government and its agencies, investment grade corporate bonds, including commercial paper and money market instruments, which may not yield a favorable return to our shareholders. All of these investments are subject to credit, liquidity, market and interest rate risk. Such risks, including the failure or severe financial distress of the financial institutions that hold our cash, cash equivalents and investments, may result in a loss of liquidity, impairment to our investments, realization of substantial future losses, or a complete loss of the investments in the long-term, which may have a material adverse effect on our business, results of operations, liquidity and financial condition. Our primary exposure to market risk relates to fluctuations in the interest rates of the PRC and the United States. In order to manage the risk to our investments, we maintain an investment policy that, among other things, limits the amount that we may invest in any one issue or any single issuer and requires us to only invest in high credit quality securities. While we believe our cash and cash equivalents do not contain excessive risk, we cannot provide absolute assurance that in the future investments will not be subject to adverse changes in market value.

Risks Related to Clinical Development of Our Drug Candidates

We depend substantially on the success of our drug candidates, particularly BGB-3111, BGB-A317, BGB-290 and BGB-283, which are in clinical development. Clinical trials of our drug candidates may not be successful. If we are unable to commercialize our drug candidates, or experience significant delays in doing so, our business will be materially harmed.

Our business will depend on the successful development, regulatory approval and commercialization of our drug candidates for the treatment of patients with cancer, particularly BGB-3111, BGB-A317, BGB-290 and BGB-283, which are still in development, and other drugs we may develop. We have invested a significant portion of our efforts and financial resources in the development of our existing drug candidates. The success of our drug candidates, including BGB-3111, BGB-A317, BGB-290 and BGB-283, will depend on several factors, including:

- successful enrollment in, and completion of, clinical trials, as well as completion of preclinical studies;
- receipt of regulatory approvals from the FDA, CFDA, EMA and other comparable regulatory authorities for our drug candidates, including our companion diagnostics;

- establishing commercial manufacturing capabilities, either by building facilities ourselves or making arrangements with third-party manufacturers;
- relying on third parties to conduct our clinical trials safely and efficiently;
- obtaining and maintaining patent, trade secret and other intellectual property protection and regulatory exclusivity;
- protecting our rights in our intellectual property;
- ensuring we do not infringe, misappropriate or otherwise violate the patent, trade secret or other intellectual property rights of third parties;
- launching commercial sales of our drug candidates, if and when approved;
- obtaining reimbursement from third-party payors for drug candidates, if and when approved;
- competition with other drug candidates and drugs;
- continued acceptable safety profile for our drug candidates following regulatory approval, if and when received; and
- obtaining sufficient supplies of any competitor drug products that may be necessary for use in clinical trials for evaluation of our drug candidates.

If we do not achieve one or more of these factors in a timely manner or at all, we could experience significant delays in our ability or be unable to obtain approval for and/or to successfully commercialize our drug candidates, which would materially harm our business and we may not be able to generate sufficient revenues and cash flows to continue our operations.

We may not be successful in our efforts to identify or discover additional drug candidates. Due to our limited resources and access to capital, we must and have in the past decided to prioritize development of certain drug candidates; these decisions may prove to have been wrong and may adversely affect our business.

Although we intend to explore other therapeutic opportunities with our cancer biology platform in addition to the drug candidates that we are currently developing, we may fail to identify other drug candidates for clinical development for a number of reasons. For example, our research methodology may be unsuccessful in identifying potential drug candidates or those we identify may be shown to have harmful side effects or other characteristics that make them unmarketable or unlikely to receive regulatory approval. Specifically, we have focused on developing our cancer biology platform, which enables us to test a large panel of tumor models for sensitivity to the drug candidates we generated, identify targets to pursue, identify drug-resistance mechanisms, explore combination strategies and regimens, and improve our understanding of the contributions of tumor micro, or macro-environment in cancer treatments. If our cancer biology platform fails to identify potential drug candidates, our business could be materially harmed.

Research programs to pursue the development of our drug candidates for additional indications and to identify new drug candidates and disease targets require substantial technical, financial and human resources whether or not we ultimately are successful. Our research programs may initially show promise in identifying potential indications and/or drug candidates, yet fail to yield results for clinical development for a number of reasons, including:

- the research methodology used may not be successful in identifying potential indications and/or drug candidates;

- potential drug candidates may, after further study, be shown to have harmful adverse effects or other characteristics that indicate they are unlikely to be effective drugs; or

- it may take greater human and financial resources to identify additional therapeutic opportunities for our drug candidates or to develop suitable potential drug candidates through internal research programs than we will possess, thereby limiting our ability to diversify and expand our drug portfolio.

Because we have limited financial and managerial resources, we focus on research programs and drug candidates for specific indications. As a result, we may forego or delay pursuit of opportunities with other drug candidates or for other indications that later prove to have greater commercial potential or a greater likelihood of success. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities.

Accordingly, there can be no assurance that we will ever be able to identify additional therapeutic opportunities for our drug candidates or to develop suitable potential drug candidates through internal research programs, which could materially adversely affect our future growth and prospects. We may focus our efforts and resources on potential drug candidates or other potential programs that ultimately prove to be unsuccessful.

If we encounter difficulties enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

The timely completion of clinical trials in accordance with their protocols depends, among other things, on our ability to enroll a sufficient number of patients who remain in the trial until its conclusion. We may experience difficulties in patient enrollment in our clinical trials for a variety of reasons, including:

- the size and nature of the patient population;

- the patient eligibility criteria defined in the protocol;

- the size of the study population required for analysis of the trial's primary endpoints;

- the proximity of patients to trial sites;

- the design of the trial;

- our ability to recruit clinical trial investigators with the appropriate competencies and experience;

- competing clinical trials for similar therapies or other new therapeutics;

- clinicians' and patients' perceptions as to the potential advantages and side effects of the drug candidate being studied in relation to other available therapies, including any new drugs or treatments that may be approved for the indications we are investigating;

- our ability to obtain and maintain patient consents;

- the risk that patients enrolled in clinical trials will not complete a clinical trial; and

- the availability of approved therapies that are similar in mechanism to our drug candidates.

Our clinical trials will compete with other clinical trials for drug candidates that are in the same therapeutic areas as our drug candidates, such as BGB-3111, BGB-A317, BGB-290 and BGB-283, and this competition will reduce the number and types of patients available to us, because some patients who might have opted to enroll in our trials may instead opt to enroll in a trial being conducted by one of our competitors. Because the number of qualified clinical investigators is limited, we expect to conduct some of our clinical trials at the same clinical trial sites that some of our

competitors use, which will reduce the number of patients who are available for our clinical trials at such clinical trial sites.

Even if we are able to enroll a sufficient number of patients in our clinical trials, delays in patient enrollment may result in increased costs or may affect the timing or outcome of the planned clinical trials, which could prevent completion of these trials and adversely affect our ability to advance the development of our drug candidates.

Some of our drug candidates represent a novel approach to cancer treatment that could result in delays in clinical development, heightened regulatory scrutiny, or delays in our ability to achieve regulatory approval or commercialization of our drug candidates.

Some of our drug candidates represent a departure from more commonly used methods for cancer treatment, and therefore represent a novel approach that carries inherent development risks. The need to further develop or modify in any way the protocols related to our drug candidates to demonstrate safety or efficacy may delay the clinical program, regulatory approval or commercialization, if approved. In addition, potential patients and their doctors may be inclined to use conventional standard-of-care treatments rather than enroll patients in any current or future clinical trial. This may have a material impact on our ability to generate revenues from our drug candidates. Further, given the novelty of our drug candidates, the end users and medical personnel may require a substantial amount of education and training.

****Clinical drug development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results.***

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. The results of preclinical studies and early clinical trials of our drug candidates may not be predictive of the results of later-stage clinical trials. Drug candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical trials. In some instances, there can be significant variability in safety and/or efficacy results between different trials of the same drug candidate due to numerous factors, including changes in trial procedures set forth in protocols, differences in the size and type of the patient populations, including genetic differences, patient adherence to the dosing regimen and other trial protocol elements and the rate of dropout among clinical trial participants. In the case of any trials we conduct, results may differ from earlier trials due to the larger number of clinical trial sites and additional countries and languages involved in such trials. A number of companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. Our future clinical trial results may not be favorable.

If clinical trials of our drug candidates fail to demonstrate safety and efficacy to the satisfaction of the FDA, CFDA, EMA or other comparable regulatory authorities or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our drug candidates.

Before obtaining regulatory approval for the sale of our drug candidates, such as BGB-3111, BGB-A317, BGB-290 and BGB-283, we must conduct extensive clinical trials to demonstrate the safety and efficacy of our drug candidates in humans. Clinical testing is expensive, difficult to design and implement, can take many years to complete and is uncertain as to outcome. A failure of one or more of our clinical trials can occur at any stage of testing. The outcome of preclinical testing and early clinical trials may not be predictive of the success of later clinical trials, and successful interim results of a clinical trial do not necessarily predict successful final results.

We may experience numerous unexpected events during, or as a result of, clinical trials that could delay or prevent our ability to receive regulatory approval or commercialize our drug candidates, including:

- regulators, IRBs or ethics committees may not authorize us or our investigators to commence a clinical trial or conduct a clinical trial at a prospective trial site;

- clinical trials of our drug candidates may produce negative or inconclusive results, and we may decide, or regulators may require us, to conduct additional clinical trials or abandon drug development programs;
- the number of patients required for clinical trials of our drug candidates may be larger than we anticipate, enrollment may be insufficient or slower than we anticipate or patients may drop out at a higher rate than we anticipate;
- our third-party contractors, including clinical investigators, may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;
- we might have to suspend or terminate clinical trials of our drug candidates for various reasons, including a finding of a lack of clinical response or a finding that participants are being exposed to unacceptable health risks;
- regulators, IRBs or ethics committees may require that we or our investigators suspend or terminate clinical research for various reasons, including noncompliance with regulatory requirements;
- the cost of clinical trials of our drug candidates may be greater than we anticipate;
- the supply or quality of our drug candidates, companion diagnostics or other materials necessary to conduct clinical trials of our drug candidates may be insufficient or inadequate; and
- our drug candidates may cause adverse affects, have undesirable side effects or other unexpected characteristics, causing us or our investigators to suspend or terminate the trials.

If we are required to conduct additional clinical trials or other testing of our drug candidates beyond those that we currently contemplate, if we are unable to successfully complete clinical trials of our drug candidates or other testing, if the results of these trials or tests are not positive or are only modestly positive or if they raise safety concerns, we may:

- be delayed in obtaining regulatory approval for our drug candidates;
- not obtain regulatory approval at all;
- obtain approval for indications that are not as broad as intended;
- have the drug removed from the market after obtaining regulatory approval;
- be subject to additional post-marketing testing requirements;
- be subject to restrictions on how the drug is distributed or used; or
- be unable to obtain reimbursement for use of the drug.

Delays in testing or approvals may result in increases in our drug development costs. We do not know whether any clinical trials will begin as planned, will need to be restructured or will be completed on schedule, or at all.

Significant clinical trial delays also could shorten any periods during which we have the exclusive right to commercialize our drug candidates or allow our competitors to bring drugs to market before we do and impair our ability to commercialize our drug candidates and may harm our business and results of operations.

Risks Related to Obtaining Regulatory Approval for Our Drug Candidates

The regulatory approval processes of the FDA, CFDA, EMA and other comparable regulatory authorities are lengthy, time consuming and inherently unpredictable, and if we are ultimately unable to obtain regulatory approval for our drug candidates, our business will be substantially harmed.

The time required to obtain approval by the FDA, CFDA, EMA and other comparable regulatory authorities is unpredictable but typically takes many years following the commencement of preclinical studies and clinical trials and depends upon numerous factors, including the substantial discretion of the regulatory authorities. In addition, approval policies, regulations or the type and amount of clinical data necessary to gain approval may change during the course of a drug candidate's clinical development and may vary among jurisdictions. We have not obtained regulatory approval for any drug candidate, and it is possible that none of our existing drug candidates or any drug candidates we may discover, in-license or acquire and seek to develop in the future will ever obtain regulatory approval.

Our drug candidates could fail to receive regulatory approval from the FDA, CFDA, EMA or a comparable regulatory authority for many reasons, including:

- disagreement with the design or implementation of our clinical trials;
- failure to demonstrate that a drug candidate is safe and effective or that a biologic drug candidate is safe, pure, and potent for its proposed indication;
- failure of clinical trial results to meet the level of statistical significance required for approval;
- failure to demonstrate that a drug candidate's clinical and other benefits outweigh its safety risks;
- data integrity issues related to our clinical trials;
- disagreement with our interpretation of data from preclinical studies or clinical trials;
- the insufficiency of data collected from clinical trials of our drug candidates to support the submission and filing of a New Drug Application, or NDA; Biologics License Application, or BLA; or other submission or to obtain regulatory approval;
- the FDA, CFDA, EMA or comparable regulatory authority's finding of deficiencies related to the manufacturing processes or facilities of third-party manufacturers with whom we contract for clinical and commercial supplies; and
- changes in approval policies or regulations that render our preclinical and clinical data insufficient for approval.

The FDA, CFDA, EMA or a comparable regulatory authority may require more information, including additional preclinical or clinical data, to support approval, which may delay or prevent approval and our commercialization plans, or we may decide to abandon the development program. If we were to obtain approval, regulatory authorities may approve any of our drug candidates for fewer or more limited indications than we request, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a drug candidate with a label that is not desirable for the successful commercialization of that drug candidate. In addition, if our drug candidate produces undesirable side effects or safety issues, the FDA may require the establishment of a Risk Evaluation Mitigation Strategy, or REMS, or the CFDA, EMA or a comparable regulatory authority may require the establishment of a similar strategy, that may, for instance, restrict distribution of our drugs and impose burdensome implementation requirements on us. Any of the foregoing scenarios could materially harm the commercial prospects of our drug candidates.

Regulatory approval may be substantially delayed or may not be obtained for one or all of our drug candidates if regulatory authorities require additional time or studies to assess the safety and efficacy of our drug candidates.

We may be unable to initiate or complete development of our drug candidates, such as BGB-3111, BGB-A317, BGB-290 and BGB-283, on schedule, if at all. If regulatory authorities require additional time or studies to assess the safety or efficacy of our drug candidates, we may not have or be able to obtain adequate funding to complete the necessary steps for approval for any or all of our drug candidates. Preclinical studies and clinical trials required to demonstrate the safety and efficacy of our drug candidates are time consuming and expensive and together take several years or more to complete. Delays in clinical trials, regulatory approvals or rejections of applications for regulatory approval in the United States, Australia, New Zealand, the PRC, Europe or other markets may result from many factors, including:

- our inability to obtain sufficient funds required for a clinical trial;
- regulatory requests for additional analyses, reports, data, nonclinical studies and clinical trials;
- regulatory questions regarding interpretations of data and results and the emergence of new information regarding our drug candidates or other products;
- clinical holds, other regulatory objections to commencing or continuing a clinical trial or the inability to obtain regulatory approval to commence a clinical trial in countries that require such approvals;
- failure to reach agreement with the FDA, CFDA, EMA or other regulators regarding the scope or design of our clinical trials;
- delay or failure in obtaining authorization to commence a trial or inability to comply with conditions imposed by a regulatory authority regarding the scope or design of a clinical trial;
- our inability to enroll a sufficient number of patients who meet the inclusion and exclusion criteria in a clinical trial;
- our inability to conduct a clinical trial in accordance with regulatory requirements or our clinical trial protocols;
- clinical sites and investigators deviating from a trial protocol, failing to conduct the trial in accordance with regulatory requirements, or dropping out of a trial;
- withdrawal of clinical trial sites from our clinical trials as a result of changing standards of care or the ineligibility of a site to participate in our clinical trials;
- inability to identify and maintain a sufficient number of trial sites, many of which may already be engaged in other clinical trial programs, including some that may be for the same indication;
- failure of our third-party contract research organizations, or CROs, to satisfy their contractual duties or regulatory requirements or meet expected deadlines;
- delay or failure in adding new clinical trial sites;
- ambiguous or negative interim results, or results that are inconsistent with earlier results;
- unfavorable or inconclusive results of clinical trials and supportive nonclinical studies, including unfavorable results regarding effectiveness of drug candidates during clinical trials;

- feedback from the FDA, CFDA, EMA, an IRB, data safety monitoring boards, or comparable entities, or results from earlier stage or concurrent preclinical studies and clinical trials, that might require modification to the protocol;
- unacceptable risk-benefit profile or unforeseen safety issues or adverse side effects;
- decision by the FDA, CFDA, EMA, an IRB, comparable entities, or us, or recommendation by a data safety monitoring board or comparable regulatory entity, to suspend or terminate clinical trials at any time for safety issues or for any other reason;
- failure to demonstrate a benefit from using a drug or biologic;
- lack of adequate funding to continue the clinical trial due to unforeseen costs or other business decisions;
- our inability to reach agreements on acceptable terms with prospective CROs and trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- our inability to obtain approval from IRBs or ethics committees to conduct clinical trials at their respective sites;
- manufacturing issues, including problems with manufacturing or timely obtaining from third parties sufficient quantities of a drug candidate for use in a clinical trial; and
- difficulty in maintaining contact with patients after treatment, resulting in incomplete data.

Changes in regulatory requirements and guidance may also occur, and we may need to amend clinical trial protocols submitted to applicable regulatory authorities to reflect these changes. Amendments may require us to resubmit clinical trial protocols to IRBs or ethics committees for re-examination, which may impact the costs, timing or successful completion of a clinical trial.

If we experience delays in the completion of, or the termination of, a clinical trial, of any of our drug candidates, the commercial prospects of our drug candidates will be harmed, and our ability to generate product sales revenues from any of those drug candidates will be delayed. In addition, any delays in completing our clinical trials will increase our costs, slow down our drug candidate development and approval process, and jeopardize our ability to commence internally developed product sales and generate related revenues. Any of these occurrences may harm our business, financial condition and prospects significantly. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our drug candidates.

If we are required to conduct additional clinical trials or other studies with respect to any of our drug candidates beyond those that we initially contemplated, if we are unable to successfully complete our clinical trials or other studies or if the results of these studies are not positive or are only modestly positive, we may be delayed in obtaining regulatory approval for that drug candidate, we may not be able to obtain regulatory approval at all or we may obtain approval for indications that are not as broad as intended. Our drug development costs will also increase if we experience delays in testing or approvals, and we may not have sufficient funding to complete the testing and approval process. Significant clinical trial delays could allow our competitors to bring drugs to market before we do and impair our ability to commercialize our drugs, if and when approved. If any of this occurs, our business will be materially harmed.

Failure to successfully validate, develop and obtain regulatory approval for companion diagnostics could harm our drug development strategy.

As one of the key elements of our clinical development strategy, we seek to identify patient subsets within a disease category who may derive selective and meaningful benefit from the drug candidates we are developing. In collaboration

with partners, we plan to develop companion diagnostics to help us to more accurately identify patients within a particular subset, both during our clinical trials and in connection with the commercialization of our drug candidates, if approved. Companion diagnostics are subject to regulation by the FDA, CFDA, EMA and other comparable regulatory authorities and require separate regulatory approval or clearance prior to commercialization. We do not develop companion diagnostics internally, and thus we are dependent on the sustained cooperation and effort of our third-party collaborators in developing and obtaining approval or clearance for these companion diagnostics. We and our collaborators may encounter difficulties in developing and obtaining approval or clearance of the companion diagnostics, including issues relating to selectivity/specificity, analytical validation, reproducibility or clinical validation. Any delay or failure by our collaborators to develop or obtain regulatory approval or clearance of the companion diagnostics could delay or prevent approval of our drug candidates. In addition, our collaborators may encounter production difficulties that could constrain the supply of the companion diagnostics, and both they and we may have difficulties gaining acceptance of the use of the companion diagnostics in the clinical community. A failure of such companion diagnostics to gain market acceptance would have an adverse effect on our ability to derive revenues from sales of our drugs. In addition, the diagnostic company with whom we contract may decide to discontinue selling or manufacturing the diagnostic we anticipate using in connection with development and commercialization of our drug candidates or our relationship with such diagnostic company may otherwise terminate. We may not be able to enter into arrangements with another diagnostic company to obtain supplies of an alternative diagnostic test for use in connection with the development and commercialization of our drug candidates or do so on commercially reasonable terms, which could adversely affect and/or delay the development or commercialization of our drug candidates.

Our drug candidates may cause undesirable adverse events or have other properties that could interrupt, delay or halt clinical trials, delay or prevent regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following any regulatory approval.

Undesirable adverse events, or AEs, caused by our drug candidates could cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA, CFDA, EMA or other comparable regulatory authority. Results of our trials could reveal a high and unacceptable severity or prevalence of AEs. In such an event, our trials could be suspended or terminated and the FDA, CFDA, EMA or other comparable regulatory authorities could order us to cease further development of, or deny approval of, our drug candidates for any or all targeted indications.

Treatment-related serious adverse events, or SAEs, that have been reported in our monotherapy clinical trials include the following: (i) for BGB-3111, petechiae (spots that appear on the skin as a result of bleeding), purpura (subcutaneous bleeding), bruising, other serious hemorrhage (grade 3 hemorrhage or central nervous system, or CNS, hemorrhage of any grade), atrial fibrillation, diarrhea, haemothorax, colitis, febrile neutropenia, neutropenia, anemia, thrombocytopenia, pneumonia, renal hematoma, urinary tract infection, pneumonitis, leukocytosis, lymphocytosis, toxic epidermal necrolsysis and headache; (ii) for BGB-A317, colitis, hypotension, diarrhea, diabetes mellitus, diabetic ketoacidosis, dyspnea, hypoxia, pneumonitis, fatigue, alanine aminotransferase, or ALT, increase, aspartate aminotransferase, or AST, increase, gamma-glutamyl transferase, or GGT, increase, autoimmune pancreatitis, back pain, dermatitis, hyperglycaemia, hyperthyroidism, nausea, proteinuria, stomatitis, bilirubin increase, leukopenia, neutropenia, pyrexia, mucosal inflammation and hepatitis; (iii) for BGB-290, anemia, neutropenia, nausea, vomiting, thrombocytopenia, diarrhea, fatigue, neutropenia and acute myeloid leukemia / myelodysplastic syndrome; and (iv) for BGB-283, thrombocytopenia, fatigue, nausea, anemia, neutropenia, vomiting, hepatitis, ALT increase, AST increase, GGT increase, pyrexia, decreased appetite, hypophosphataemia, hand-foot syndrome, hypertension, weight decrease, lymphopenia, leukopenia, and constipation.

In addition, treatment-related SAEs that have been reported in our combination clinical trials include the following: (i) for the BGB-3111 and obinutuzumab combination, neutropenia, thrombocytopenia, pneumonia, infusion-related reaction, and serious hemorrhage, including one report of a grade 3 intracranial hemorrhage SAE, which is possibly drug related, in one Diffuse Large B-Cell Lymphoma patient that caused the patient's treatment with BGB-3111 to be interrupted; (ii) for the BGB-3111 and BGB-A317 combination, haemolytic anaemia, pneumonia, pneumonitis, anemia, autoimmune encephalitis, dyspnea, ALT increase, GGT increase, infusion-related reaction, peripheral edema, pyrexia, thrombocytopenia, limb abscess, ulcerative keratitis, catheter site hemorrhage, hemolytic transfusion reaction, nausea,

lymph gland infection and eczema; and (iii) for the BGB-290 and BGB-A317 combination, nausea, vomiting, hepatitis, ALT increase, AST increase, GGT increase, fatigue, anemia, liver injury, hypophysitis, and neutropenia.

Drug-related AEs or SAEs could affect patient recruitment or the ability of enrolled subjects to complete the trial, and could result in potential product liability claims. Any of these occurrences may harm our reputation, business, financial condition and prospects significantly.

Additionally, if we or others identify undesirable side effects caused by our drugs or any future approved drug candidates, a number of potentially significant negative consequences could result, including:

- we may suspend marketing of the drug;
- regulatory authorities may withdraw approvals or revoke licenses of the drug;
- regulatory authorities may require additional warnings on the label;
- we may be required to develop a REMS for the drug, as is the case with REVLIMID®, or, if a REMS is already in place, to incorporate additional requirements under the REMS, or to develop a similar strategy as required by a comparable regulatory authority;
- we may be required to conduct post-market studies;
- we could be sued and held liable for harm caused to subjects or patients; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the particular drug or drug candidate, and could significantly harm our business, results of operations and prospects.

Further, combination therapy, such as using our wholly-owned drug candidates as well as third-party products, involves unique AEs that could be exacerbated compared to AEs from monotherapies. These types of AEs could be caused by our drug candidates and could also cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA, CFDA, EMA or other comparable regulatory authority. Results of our trials could reveal a high and unacceptable severity or prevalence of AEs.

A Fast Track Designation by the FDA, even if granted for any of our drug candidates, may not lead to a faster development or regulatory review or approval process, and does not increase the likelihood that our drug candidates will receive regulatory approval.

We do not currently have Fast Track Designation for any of our drug candidates, but may seek such designation in the future. If a drug is intended for the treatment of a serious or life-threatening condition and the drug demonstrates the potential to address unmet medical need for that condition, the drug sponsor may apply for FDA Fast Track Designation. The FDA has broad discretion whether or not to grant this designation. Even if we believe a particular drug candidate is eligible for this designation, we cannot assure you that the FDA would decide to grant it. Even if we do receive Fast Track Designation, we may not experience a faster development process, review or approval compared to conventional FDA procedures. The FDA may withdraw a Fast Track Designation if it believes that the designation is no longer supported by data from our clinical development program. Many drugs that have received Fast Track Designation have failed to obtain approval from the FDA.

A Breakthrough Therapy Designation by the FDA, even if granted for any of our drug candidates, may not lead to a faster development or regulatory review or approval process, and does not increase the likelihood that our drug candidates will receive regulatory approval.

We do not currently have Breakthrough Therapy Designation for any of our drug candidates, but may seek it in the future. A Breakthrough Therapy is defined as a drug that is intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. For drugs that have been designated as Breakthrough Therapies, interaction and communication between the FDA and the sponsor can help to identify the most efficient path for development.

Designation as a Breakthrough Therapy is within the discretion of the FDA. Accordingly, even if we believe, after completing early clinical trials, that one of our drug candidates meets the criteria for designation as a Breakthrough Therapy, the FDA may disagree and instead decide not to grant that designation. In any event, the receipt of a Breakthrough Therapy Designation for a drug candidate may not result in a faster development process, review or approval compared to drugs considered for approval under conventional FDA procedures and does not assure ultimate approval by the FDA. In addition, even if one or more of our drug candidates qualify as Breakthrough Therapies, the FDA may later decide that such drug candidates no longer meet the conditions for qualification.

****We may seek orphan drug designation and exclusivity for some of our drug candidates, and we may be unsuccessful.***

Regulatory authorities in some jurisdictions, including the United States and Europe, may designate drugs for relatively small patient populations as orphan drugs. Under the Orphan Drug Act, the FDA may designate a drug as an orphan drug if it is a drug intended to treat a rare disease or condition, which is generally defined as a disease with a patient population of fewer than 200,000 individuals in the United States, or that affects more than 200,000 individuals in the United States and for which there is no reasonable expectation that costs of research and development of the product for the indication can be recovered by sales of the product in the United States. BGB-3111 received orphan drug designation from the FDA for CLL, MCL and WM in 2016.

Generally, if a drug with an orphan drug designation subsequently receives the first regulatory approval for the indication for which it has such designation, the drug is entitled to a period of marketing exclusivity, which precludes the FDA or EMA, from approving another marketing application for the same drug for the same indication during the period of exclusivity. The applicable period is seven years in the United States and 10 years in Europe. The European exclusivity period can be reduced to six years if a drug no longer meets the criteria for orphan drug designation or if the drug is sufficiently profitable so that market exclusivity is no longer justified. Orphan drug exclusivity may be lost if the FDA or the EMA determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantity of the drug to meet the needs of patients with the rare disease or condition.

Even if we obtain orphan drug exclusivity for a drug candidate, that exclusivity may not effectively protect the drug candidate from competition because different drugs can be approved for the same condition and the same drugs can be approved for a different condition but used off-label for any orphan indication we may obtain. Even after an orphan drug is approved, the FDA can subsequently approve a drug that is otherwise the same drug for the same condition if the FDA concludes that the later drug is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care.

****Our drugs and any future approved drug candidates will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our drug candidates.***

Our in-licensed drugs in China and any additional drug candidates that are approved will be subject to ongoing regulatory requirements for manufacturing, labeling, packaging, storage, advertising, promotion, sampling, record-keeping, conduct of post-marketing studies, and submission of safety, efficacy, and other post-market information,

including both federal and state requirements in the United States and requirements of comparable regulatory authorities in China and other countries.

Manufacturers and manufacturers' facilities are required to comply with extensive FDA, CFDA, EMA and comparable regulatory authority requirements, including, in the United States, ensuring that quality control and manufacturing procedures conform to cGMP regulations. As such, we and our contract manufacturers will be subject to continual review and inspections to assess compliance with cGMP and adherence to commitments made in any NDA or BLA, other marketing application, and previous responses to any inspection observations. Accordingly, we and others with whom we work must continue to expend time, money and effort in all areas of regulatory compliance, including manufacturing, production and quality control.

The regulatory approvals for our in-licensed drugs and any approvals that we receive for our drug candidates may be subject to limitations on the approved indicated uses for which the drug may be marketed or to the conditions of approval, or contain requirements for potentially costly post-marketing testing, including Phase 4 clinical trials and surveillance to monitor the safety and efficacy of the drug candidate. The FDA or comparable regulatory authorities may also require a REMS program as a condition of approval of our drug candidates or following approval, as is the case with REVLIMID®, which could entail requirements for long-term patient follow-up, a medication guide, physician communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. In addition, if the FDA, CFDA, EMA or a comparable regulatory authority approves our drug candidates, we will have to comply with requirements including, for example, submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with cGMP and GCP for any clinical trials that we conduct post-approval.

The FDA or comparable regulatory authorities may seek to impose a consent decree or withdraw marketing approval if compliance with regulatory requirements is not maintained or if problems occur after the drug reaches the market. Later discovery of previously unknown problems with our drug candidates, including AEs of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical studies to assess new safety risks; or imposition of distribution restrictions or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of our drugs, withdrawal of the product from the market, or voluntary or mandatory product recalls;
- fines, untitled or warning letters, or holds on clinical trials;
- refusal by the FDA or comparable regulatory authorities to approve pending applications or supplements to approved applications filed by us or suspension or revocation of license approvals or withdrawal of approvals;
- product seizure or detention, or refusal to permit the import or export of our drug candidates; and
- injunctions or the imposition of civil or criminal penalties.

The FDA and other regulatory authorities strictly regulate the marketing, labeling, advertising and promotion of products that are placed on the market. Drugs may be promoted only for their approved indications and for use in accordance with the provisions of the approved label. The FDA, CFDA, EMA and other regulatory authorities actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability. The policies of the FDA, CFDA, EMA and of other regulatory authorities may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our drug candidates. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any regulatory approval that we may have obtained and we may not achieve or sustain profitability.

In addition, if we were able to obtain accelerated approval of any of our drug candidates, the FDA would require us to conduct a confirmatory study to verify the predicted clinical benefit and additional safety studies. Other comparable regulatory authorities outside the United States, such as the CFDA or EMA, may have similar requirements. The results from the confirmatory study may not support the clinical benefit, which would result in the approval being withdrawn. While operating under accelerated approval, we will be subject to certain restrictions that we would not be subject to upon receiving regular approval.

Risks Related to Commercialization of Our Drug Candidates

If we are not able to obtain, or experience delays in obtaining, required regulatory approvals, we will not be able to commercialize our drug candidates, and our ability to generate revenue will be materially impaired.

We currently do not have any drug candidates that have gained regulatory approval for sale in the United States, European Union, China or any other country, and we cannot guarantee that we will ever have marketable drugs that we are currently developing or may develop in the future. Our business is substantially dependent on our ability to complete the development of, obtain regulatory approval for and successfully commercialize drug candidates in a timely manner. We cannot commercialize drug candidates without first obtaining regulatory approval to market each drug from the FDA, CFDA, EMA and/or comparable regulatory authorities. BGB-3111, BGB-A317, BGB-290 and BGB-283 are each currently undergoing clinical trials. We cannot predict whether these trials and future trials will be successful or whether regulators will agree with our conclusions regarding the preclinical studies and clinical trials we have conducted to date.

Before obtaining regulatory approvals for the commercial sale of any drug candidate for a target indication, we must demonstrate in preclinical studies and well-controlled clinical trials, and, with respect to approval in the United States, to the satisfaction of the FDA, that the drug candidate is safe and effective, or the biologic product candidate is safe, pure, and potent, for use for that target indication and that the manufacturing facilities, processes and controls are adequate. In the United States, we have not submitted an NDA or BLA for any of our drug candidates. An NDA or BLA must include extensive preclinical and clinical data and supporting information to establish, in the case of an NDA, the drug candidate's safety and effectiveness or, in the case of a BLA, safety, purity and potency for each desired indication. The NDA or BLA must also include significant information regarding the chemistry, manufacturing and controls for the drug candidate. Obtaining approval of an NDA or BLA is a lengthy, expensive and uncertain process, and approval may not be obtained. If we submit an NDA or BLA to the FDA, the FDA decides whether to accept or reject the submission for filing. We cannot be certain that any submissions will be accepted for filing and review by the FDA.

Regulatory authorities outside of the United States, such as the CFDA and EMA, also have requirements for approval of drugs for commercial sale with which we must comply prior to marketing in those areas. Regulatory requirements can vary widely from country to country and could delay or prevent the introduction of our drug candidates. Clinical trials conducted in one country may not be accepted by regulatory authorities in other countries, and obtaining regulatory approval in one country does not mean that regulatory approval will be obtained in any other country. Approval processes vary among countries and can involve additional product testing and validation and additional administrative review periods. Seeking non-U.S. regulatory approval could require additional nonclinical studies or clinical trials, which could be costly and time consuming. The non-U.S. regulatory approval process may include all of the risks associated with obtaining FDA approval. For all of these reasons, we may not obtain non-U.S. regulatory approvals on a timely basis, if at all.

Specifically, in China, the CFDA categorizes domestically-manufactured innovative drug applications as Category 1 and imported innovative drug applications as Category 5. To date, most of local companies' domestically-manufactured drug applications are filed in Category 1 if the drug has not already been approved by the FDA or EMA. Most multinational pharmaceutical companies' drug registration applications are filed in Category 5 applicable to imported drugs, formerly known as Category 3 prior to the reclassification implemented by CFDA in 2016. These two categories have distinct approval pathways, as described in the section of our Annual Report titled "Item 1—Business—Regulatory Framework and Structural Advantages of Being a China-Based Research and Development Organization." We believe the local drug registration pathway, Category 1, is a faster and more efficient path to approval in the Chinese market than Category 5. Companies are required to obtain Clinical Trial Application approval before conducting clinical trials in China. This registration pathway has a fast track review and approval mechanism if the drug candidate is on a national

priority list. The imported drug registration pathway, Category 5, is more complex and is evolving. China Category 5 registration applications for certain drugs may only be submitted after a drug has obtained an NDA approval and received the Certificate of Pharmaceutical Product, or CPP, granted by a major drug regulatory authority, such as the FDA or EMA.

Further, in August 2015, the Chinese State Council issued a statement, *Opinions on Reforming the Review and Approval Process for Pharmaceutical Products and Medical Devices* that contained several potential policy changes that could benefit the pharmaceutical industry:

- A plan to accelerate innovative drug approval with a special review and approval process, with a focus on areas of high unmet medical needs, including drugs for HIV, cancer, serious infectious diseases and orphan diseases, drugs on national priority lists.

- A plan to adopt a policy which would allow companies to act as the marketing authorization holder and to hire contract manufacturing organizations to produce drug products.

- A plan to improve the review and approval of clinical trials, and to allow companies to conduct clinical trials at the same time as they are being conducted in other countries and encourage local clinical trial organizations to participate in international multi-center clinical trials.

In November 2015, the CFDA released the *Circular Concerning Several Policies on Drug Registration Review and Approval* , which further clarified the following policies potentially simplifying and accelerating the approval process of clinical trials:

- A one-time umbrella approval procedure allowing approval of all phases of a new drug's clinical trials at once, rather than the current phase-by-phase approval procedure, will be adopted for new drugs' clinical trial applications.

- A fast track drug registration or clinical trial approval pathway will be available for the following applications: (1) registration of innovative new drugs treating HIV, cancer, serious infectious diseases and orphan diseases; (2) registration of pediatric drugs; (3) registration of geriatric drugs and drugs treating China-prevalent diseases in elders; (4) registration of drugs sponsored by national science and technology grants; (5) registration of innovative drugs using advanced technology, using innovative treatment methods, or having distinctive clinical benefits; (6) registration of foreign innovative drugs to be manufactured locally in China; and (7) concurrent applications for new drug clinical trials which are already approved in the United States or European Union or concurrent drug registration applications for drugs which have applied for marketing authorization and passed onsite inspections in the United States or European Union and are manufactured using the same production line in China; and (8) clinical trial applications for drugs with urgent clinical need and patent expiry within three years, and marketing authorization applications for drugs with urgent clinical need and patent expiry within one year.

In February 2016, the CFDA released the *Opinions on Priority Review and Approval for Resolving Drug Registration Applications Backlog* , which further clarified the following policies potentially accelerating the approval process of certain clinical trials or drug registrations:

- A fast track drug registration or clinical trial approval pathway will be available for the following drug registration applications with distinctive clinical benefits: (1) registration application of innovative drugs not sold within or outside China; (2) registration application of innovative drugs transferred to be manufactured in China; (3) registration application of drugs using advanced technology, using innovative treatment methods, or having distinctive treatment advantages; (4) clinical trial applications for drugs with patent expiry within three years, and marketing authorization applications for drugs with patent expiry within one year; (5) concurrent applications for new drug clinical trials which are already approved in the United States or European Union, or concurrent drug registration applications for drugs which have applied for marketing authorization and passed onsite inspections in the United States or European Union and are manufactured using

the same production line in China; (6) traditional Chinese medicines (including ethnic medicines) with clear clinical position in prevention and treatment of serious diseases; and (7) registration application of new drugs sponsored by national key technology projects or national key development projects.

- A fast track drug registration approval pathway will be available for drug registration applications with distinctive clinical benefits for prevention and treatment of HIV, phthisis, viral hepatitis, orphan diseases, cancer, malignant neoplasms, children's diseases, and geriatrics.

In March 2016, the CFDA released a circular, CFDA Announcement on Reforms of Pharmaceutical Registration Classification, which outlined the re-classifications of drug applications. Under the new categorization, innovative drugs that have not been marketed either within or outside China remain Category 1, while drugs marketed outside China seeking marketing approval in China are now Category 5.

However, because these laws and regulations in relation to such above-mentioned fast track clinical trial approval and drug registration pathway were newly issued and constantly evolving, uncertainty remains with respect to their implementation. We expect that the CFDA review and approval process will improve over time. However, how and when this approval process will be changed is still subject to further policies to be issued by the CFDA and is currently uncertain.

The process to develop, obtain regulatory approval for and commercialize drug candidates is long, complex and costly both inside and outside the United States and China, and approval is never guaranteed. Even if our drug candidates were to successfully obtain approval from the regulatory authorities, any approval might significantly limit the approved indications for use, or require that precautions, contraindications or warnings be included on the product labeling, or require expensive and time-consuming post-approval clinical trials or surveillance as conditions of approval. Following any approval for commercial sale of our drug candidates, certain changes to the drug, such as changes in manufacturing processes and additional labeling claims, may be subject to additional review and approval by the FDA, CFDA and EMA and comparable regulatory authorities. Also, regulatory approval for any of our drug candidates may be withdrawn. If we are unable to obtain regulatory approval for our drug candidates in one or more jurisdictions, or any approval contains significant limitations, our target market will be reduced and our ability to realize the full market potential of our drug candidates will be harmed. Furthermore, we may not be able to obtain sufficient funding or generate sufficient revenue and cash flows to continue the development of any other drug candidate in the future.

I n April 2017, the NHFPC, Ministry of Finance, the National Development and Reform Commission and four other four government agencies jointly issued the Notice on Overall Implementation of Public Hospital Comprehensive Reform, or the Public Hospital Reform Notice. The Public Hospital Reform Notice requires all prefecture-level cities to formulate plans for full implementation of the urban public hospital reforms by July 31, 2017. According to the Public Hospital Reform Notice, the public hospital reform plans were to be implemented by September 30, 2017. Under the public hospital reform plan, public hospitals will no longer be able to sell all drugs, except for traditional Chinese medicines, at prices higher than they paid for purchasing the drugs, also known as a zero-markup policy. The Public Hospital Notice also provides that the first four batches of public hospital reform cities should reduce the proportion of their drug sales-related income to around 30%. Because the zero-markup policy proposed by the Public Hospital Reform Notice has not taken effect nationwide, there is still substantial uncertainty with respect to the interpretation and implementation in different cities. However, the implementation of a zero-markup policy may disincentivize public hospitals to purchase and sell new drugs with high prices, which may negatively affect our business operations and financial performance.

In May 2017, the CFDA issued four draft policies for public comment, proposing further reforms in the current drug regulatory regime, including 2017 CFDA Circular 52, 2017 CFDA Circular 53, 2017 CFDA Circular 54 and 2017 CFDA Circular 55. These draft policies propose significant reforms in the areas of the new drug approval process, clinical trial regulation, life-cycle management and post-marketing, and regulatory data protection and patent linkage. These draft policies, if adopted as currently proposed, will further streamline and accelerate the market access of novel drugs, including domestic and foreign drug candidates. For example, 2017 CFDA Circular 52 proposes an accelerated approval regime for drugs meeting urgent clinical needs, under which drugs that meet urgent clinical needs may receive conditional approval, if the early and middle stage clinical trials show positive results and there is anticipated clinical

value. Also, the National Health and Family Planning Commission, or NHFPC, will publish a list of orphan diseases. Applicants with drugs treating such orphan diseases may apply for a clinical trial waiver. If a new drug for orphan diseases has been approved outside China, the CFDA may grant a conditional approval, and the applicant must complete a trial in China within a prescribed timeframe after such approval. 2017 CFDA Circular 53 proposes to streamline the clinical trial approval process by adoption of a notification system for clinical trial applications, under which the applicants only need to wait for 60 business days before proceeding with the protocol, unless the Center for Drug Evaluation rejects the application or issues a deficiency notice during the 60-day period. 2017 CFDA Circular 53 also proposes that foreign clinical data be admitted to support registration of drugs in China, as long as (1) the clinical trial data satisfy the requirements under PRC regulations, (2) the trials pass the CFDA's on-site inspection, and (3) applicants can provide clinical data to prove that no ethnicity difference affects the drug candidates' safety and efficacy.

Based on the draft policies, in October 2017, the General Office of the State Council of China announced *The Opinions on Deepening Review and Approval System Reform and Encouraging the Innovation of Drugs and Medical Devices* , or the Opinions on Reform. The Opinions on Reform upholds the draft policies' proposal to improve clinical trial approval procedures by adopting a notification system for clinical trial applications under which applicants may proceed with the protocol unless the drug evaluation authority issues a negative opinion or queries within a prescribed period. In addition, the Opinions on Reform upholds the draft policies' proposal of conditional approval for drugs treating life-threatening diseases or meeting urgent public health needs. According to the Opinions on Reform, the marketing authorization holder system will roll out nationwide in China and marketing authorization holders will be held ultimately responsible for pre-approval and post-approval compliance obligations, as well as for the activities of their contracted research organizations, manufacturers and distributors. The Opinions on Reform are recently announced high-level opinions to be further supplemented and implemented with the adoption of the detailed draft policies proposed by the CFDA.

In October 2017, the CFDA issued the *Decisions Concerning the Adjustment of Imported Drug Registration* , or the Imported Drug Registration Adjustment Decisions. The Imported Drug Registration Adjustment Decisions (1) allow drugs to launch synchronized Phase 1 international multi-center clinical trials within and outside China, (2) allow applicants to apply for drug marketing approval upon completion of international multi-center clinical trials, and (3) remove the requirement of marketing authorization in the country or region of the foreign pharmaceutical manufacturers for new chemical drugs and therapeutic biological innovative drugs applying for imported drug clinical trials and imported drug marketing. Although the Imported Drug Registration Adjustment Decisions are newly issued and uncertainty remains with respect to their implementation, we expect the advantage of our conduct clinical trials as domestic drugs in China over imported drugs could be reduced with the implementation of Imported Drug Registration Adjustment Decisions.

A Category 1 designation by the CFDA may be revoked or may not be granted for any of our drug candidates or may not lead to faster development or regulatory review or approval process and does not increase the likelihood that our drug candidates will receive regulatory approval.

We believe the local drug registration pathway, Category 1, is a faster and more efficient path to approval in the Chinese market than the drug registration pathway for imported drugs under Category 5. Companies are required to obtain Clinical Trial Application approval before conducting clinical trials in China. This registration pathway has a fast track review and approval mechanism if the drug candidate is on a national priority list. Imported drug candidates under Category 5 cannot qualify for the national priority list to benefit from fast track reviews. Our drug candidates are all new therapeutic agents and we have built research and development, clinical trial capacities, and manufacturing facilities in China. As a result, we expect all of our current drug candidates to fall within the Category 1 application process, but cannot be sure we will be granted or be able to maintain Category 1 designation.

****Our drugs and any future approved drug candidates may fail to achieve the degree of market acceptance by physicians, patients, third-party payors and others in the medical community necessary for commercial success.***

Our drugs and any future approved drug candidates may fail to gain sufficient market acceptance by physicians, patients, third-party payors and others in the medical community. For example, current cancer treatments like chemotherapy and radiation therapy are well established in the medical community, and doctors may continue to rely on

these treatments to the exclusion of our drugs and drug candidates. In addition, physicians, patients and third-party payors may prefer other novel products to ours. If our drugs and drug candidates do not achieve an adequate level of acceptance, we may not generate significant product sales revenues and we may not become profitable. The degree of market acceptance of our drugs and drug candidates, if approved for commercial sale, will depend on a number of factors, including:

- the clinical indications for which our drugs and drug candidates are approved;
- physicians, hospitals, cancer treatment centers and patients considering our drugs and drug candidates as a safe and effective treatment;
- the potential and perceived advantages of our drugs and drug candidates over alternative treatments;
- the prevalence and severity of any side effects;
- product labeling or product insert requirements of the FDA, CFDA, EMA or other comparable regulatory authorities;
- limitations or warnings contained in the labeling approved by the FDA, CFDA, EMA or other comparable regulatory authorities;
- the timing of market introduction of our drugs and drug candidates as well as competitive drugs;
- the cost of treatment in relation to alternative treatments;
- the amount of upfront costs or training required for physicians to administer our drugs and drug candidates;
- the availability of adequate coverage, reimbursement and pricing by third-party payors and government authorities;
- the willingness of patients to pay out-of-pocket in the absence of coverage and reimbursement by third-party payors and government authorities;
- relative convenience and ease of administration, including as compared to alternative treatments and competitive therapies; and
- the effectiveness of our sales and marketing efforts.

If our drugs and any approved drug candidates fail to achieve market acceptance among physicians, patients, hospitals, cancer treatment centers or others in the medical community, we will not be able to generate significant revenue. Even if our drugs achieve market acceptance, we may not be able to maintain that market acceptance over time if new products or technologies are introduced that are more favorably received than our drugs, are more cost effective or render our drugs obsolete.

**** If we are unable to further develop marketing and sales capabilities or enter into agreements with third parties to market and sell our drug candidates and third-party drugs, we may not be able to generate product sales revenue.***

Prior to the closing of our transaction with Celgene, we had no sales, marketing or commercial product distribution capabilities and had no experience in marketing drugs. On August 31, 2017, we closed a strategic collaboration with Celgene in which we were granted an exclusive license in China, excluding Hong Kong, Macau and Taiwan, to commercialize Celgene's approved cancer therapies, ABRAXANE®, REVLIMID®, and VIDAZA®, and Celgene's investigational agent CC-122 in clinical development, and acquired Celgene's commercial operations in China, excluding certain functions. We plan to further build our salesforce in China to market these in-licensed drugs and our

internally developed drug candidates, in the event they receive commercial approval, and any additional drugs or drug candidates that we may in-license, which will require significant capital expenditures, management resources and time. We will have to compete with other pharmaceutical and biotechnology companies to recruit, hire, train and retain marketing and sales personnel.

If we are unable to, or decide not to, further develop internal sales, marketing and commercial distribution capabilities for any or all drugs we develop or in-license, we will likely pursue collaborative arrangements regarding the sales and marketing of our drugs. However, there can be no assurance that we will be able to establish or maintain such collaborative arrangements, or if we are able to do so, that they will have effective sales forces. Any revenue we receive will depend upon the efforts of such third parties, which may not be successful. We may have little or no control over the marketing and sales efforts of such third parties, and our revenue from product sales may be lower than if we had commercialized our drug candidates ourselves. We also face competition in our search for third parties to assist us with the sales and marketing efforts of our drug candidates.

There can be no assurance that we will be able to further develop and successfully maintain in-house sales and commercial distribution capabilities or establish or maintain relationships with third-party collaborators to successfully commercialize any product, and as a result, we may not be able to generate product sales revenue.

We face substantial competition, which may result in others discovering, developing or commercializing competing drugs before or more successfully than we do.

The development and commercialization of new drugs is highly competitive. We face competition with respect to our current drugs and drug candidates and any future drugs that we may develop or in-license from major pharmaceutical companies, specialty pharmaceutical companies and biotechnology companies worldwide. There are a number of large pharmaceutical and biotechnology companies that currently market and sell drugs or are pursuing the development of drugs for the treatment of cancer for which we are commercializing our in-licensed drugs or developing our drug candidates. Some of these competitive drugs and therapies are based on scientific approaches that are the same as or similar to our approach, and others are based on entirely different approaches. Potential competitors also include academic institutions, government agencies and other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and commercialization.

Specifically, there are a large number of companies developing or marketing treatments for cancer, including many major pharmaceutical and biotechnology companies. See the section titled “Item 1—Business—Competition” of our 2016 Annual Report.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize drugs that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any drugs that we commercialize or may develop. Our competitors also may obtain approval from the FDA, CFDA, EMA or other comparable regulatory authorities for their drugs more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market and or slow our regulatory approval.

Many of the companies against which we are competing or against which we may compete in the future have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved drugs than we do. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller and other early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These third parties compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

Our drugs and drug candidates for which we intend to seek approval as biological or drug products may face competition sooner than expected.

With the enactment of the Biologics Price Competition and Innovation Act of 2009, or BPCIA, as part of the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or, collectively the ACA, an abbreviated pathway for the approval of biosimilar and interchangeable biological products was created in the United States. The abbreviated regulatory pathway establishes legal authority for the FDA to review and approve biosimilars, including the possible designation of a biosimilar as "interchangeable," based on their similarity to existing reference product. Under the BPCIA, an application for a biosimilar product cannot be approved by the FDA until 12 years after the reference product was approved under a BLA. The BPCIA is complex and is only beginning to be interpreted and implemented by the FDA. As a result, its ultimate impact, implementation and meaning are subject to uncertainty, and it could have a material adverse effect on the future commercial prospects for our biological products, including BGB-A317, if approved.

We believe that any of our drugs approved as a biological product under a BLA should qualify for the 12-year period of exclusivity. However:

- a potential competitor could seek and obtain approval of its own BLA during our exclusivity period instead of seeking approval of a biosimilar version; and
- the FDA could consider a combination therapy which contains both drug and biological product components, to be a drug subject to review pursuant to an NDA, and therefore eligible for a significantly shorter marketing exclusivity period as provided under the Drug Price Competition and Patent Term Restoration Act of 1984.

Moreover, the extent to which a biosimilar, once approved, will be substituted for any one of our reference products in a way that is similar to traditional generic substitution for non-biological products is not yet clear and will depend on a number of marketplace and regulatory factors that are still developing.

In addition, a drug product approved under an NDA, such as BGB-3111, BGB-290 or BGB-283, if they were to be approved, could face generic competition earlier than expected. We do expect competition from generic drugs with our in-licensed drugs in China but currently do not know the actual impact. In the United States, the enactment of the Generic Drug User Fee Amendments of 2012 as part of the Food and Drug Administration Safety and Innovation Act of 2012 established a user fee program that will generate hundreds of millions of dollars in funding for the FDA's generic drug review program. Funding from the user fee program, along with performance goals that the FDA negotiated with the generic drug industry, could significantly decrease the timeframe for FDA review and approval of generic drug applications.

The market opportunities for our drugs and drug candidates may be limited to those patients who are ineligible for or have failed prior treatments and may be small.

Cancer therapies are sometimes characterized as first line, second line or third line, and the FDA often approves new therapies initially only for third line use. When cancer is detected early enough, first line therapy is sometimes adequate to cure the cancer or prolong life without a cure. Whenever first line therapy, usually chemotherapy, hormone therapy, surgery or a combination of these, proves unsuccessful, second line therapy may be administered. Second line therapies often consist of more chemotherapy, radiation, antibody drugs, tumor targeted small molecule drugs or a combination of these. Third line therapies can include bone marrow transplantation, antibody and small molecule targeted therapies, more invasive forms of surgery and new technologies. In markets with approved therapies, we expect to initially seek approval of our drug candidates as a later stage therapy for patients who have failed other approved treatments. Subsequently, for those drugs that prove to be sufficiently beneficial, if any, we would expect to seek approval as a second line therapy and potentially as a first line therapy, but there is no guarantee that our drug candidates, even if approved, would be approved for second line or first line therapy. In addition, we may have to conduct additional clinical trials prior to gaining approval for second line or first line therapy.

Our projections of both the number of people who have the cancers we are targeting, as well as the subset of people with these cancers in a position to receive later stage therapy and who have the potential to benefit from treatment with our drug candidates, are based on our beliefs and estimates. These estimates have been derived from a variety of sources, including scientific literature, surveys of clinics, patient foundations or market research and may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of these cancers. The number of patients may turn out to be lower than expected. Additionally, the potentially addressable patient population for our drugs and drug candidates may be limited or may not be amenable to treatment with our drugs and drug candidates. Even if we obtain significant market share for our drug candidates, because the potential target populations are small, we may never achieve profitability without obtaining regulatory approval for additional indications, including use as a first or second line therapy.

Our market opportunities may also be limited by competitor treatments that may enter the market. See "—We face substantial competition, which may result in others discovering, developing or commercializing competing drugs before or more successfully than we do."

Even if we are able to commercialize our drugs and any approved drug candidates, the drugs may become subject to unfavorable pricing regulations, third party reimbursement practices or healthcare reform initiatives, which could harm our business.

The regulations that govern regulatory approvals, pricing and reimbursement for new therapeutic products vary widely from country to country. Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing or licensing approval is granted. In some non-U.S. markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain regulatory approval for a drug in a particular country, but then be subject to price regulations that delay our commercial launch of the drug and negatively impact the revenues we are able to generate from the sale of the drug in that country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more drugs or any drug candidates, even if our drug candidates obtain regulatory approval.

Our ability to commercialize any drugs successfully also will depend in part on the extent to which reimbursement for these drugs and related treatments will be available from government health administration authorities, private health insurers and other organizations. Government authorities and third-party payors, such as private health insurers and health maintenance organizations, decide which medications they will pay for and establish reimbursement levels. A primary trend in the global healthcare industry is cost containment. Government authorities and these third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. Increasingly, third-party payors are requiring that companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. We cannot be sure that reimbursement will be available for any drug that we commercialize and, if reimbursement is available, what the level of reimbursement will be. Reimbursement may impact the demand for, or the price of, any drug which we commercialize. Obtaining or maintaining reimbursement for our drugs may be particularly difficult because of the higher prices often associated with drugs administered under the supervision of a physician. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any drug candidate that we in-license or successfully develop.

There may be significant delays in obtaining reimbursement for approved drugs, and coverage may be more limited than the purposes for which the drug is approved by the FDA or other comparable regulatory authorities outside the United States. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Interim payments for new drugs, if applicable, may also not be sufficient to cover our costs and may not be made permanent. Payment rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on payments allowed for lower cost drugs that are already reimbursed, and may be incorporated into existing payments for other services. Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future weakening of laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the United States. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement policies. Our inability to promptly obtain coverage and profitable payment rates from both government-funded and private payors for our drugs and any new drugs that we

develop could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize drugs and our overall financial condition.

Coverage and reimbursement may be limited or unavailable in certain market segments for our drugs and drug candidates and drugs, which could make it difficult for us to sell our drugs and drug candidates profitably.

Successful sales of our drugs and any approved drug candidates depend on the availability of adequate coverage and reimbursement from third-party payors. Patients who are provided medical treatment for their conditions generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. Adequate coverage and reimbursement from governmental healthcare programs, such as Medicare and Medicaid in the United States, and commercial payors are critical to new drug acceptance.

Government authorities and third-party payors, such as private health insurers and health maintenance organizations, decide which drugs and treatments they will cover and the amount of reimbursement. Coverage and reimbursement by a third-party payor may depend upon a number of factors, including the third-party payor's determination that use of a drug is:

- a covered benefit under its health plan;
- safe, effective and medically necessary;
- appropriate for the specific patient;
- cost-effective; and
- neither experimental nor investigational.

In the United States, no uniform policy of coverage and reimbursement for drugs exists among third-party payors. As a result, obtaining coverage and reimbursement approval of a drug from a government or other third-party payor is a time-consuming and costly process that could require us to provide to each payor supporting scientific, clinical and cost-effectiveness data for the use of our drugs on a payor-by-payor basis, with no assurance that coverage and adequate reimbursement will be obtained. Even if we obtain coverage for a given drug, the resulting reimbursement payment rates might not be adequate for us to achieve or sustain profitability or may require co-payments that patients find unacceptably high. Additionally, third-party payors may not cover, or provide adequate reimbursement for, long-term follow-up evaluations required following the use of our genetically modified drugs. Patients are unlikely to use our drugs and any approved drug candidates unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost of the drug. Because some of our drugs and drug candidates have a higher cost of goods than conventional therapies, and may require long-term follow up evaluations, the risk that coverage and reimbursement rates may be inadequate for us to achieve profitability may be greater.

In China, the Ministry of Human Resources and Social Security of China or provincial or local human resources and social security authorities, together with other government authorities, review the inclusion or removal of drugs from the China's National Drug Catalog for Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance, or the National Reimbursement Drug List, or the NRDL, or provincial or local medical insurance catalogues for the National Medical Insurance Program regularly, and the tier under which a drug will be classified, both of which affect the amounts reimbursable to program participants for their purchases of those drugs. These determinations are made based on a number of factors, including price and efficacy.

In February 2017, the Ministry of Human Resources and Social Security of China released a new edition of the NRDL, or the 2017 NRDL, which expands its scope by including an additional 339 drugs. The 2017 NRDL reflects an emphasis on innovative drugs and drugs that treat cancer and other serious diseases. For instance, most of the innovative chemical drugs and biological products approved in China between 2008 and the first half of 2016 have been included in the 2017 NRDL or its candidate list. In July 2017, our in-licensed drug, REVLIMID® was included in the NRDL at a negotiated price lower than we have previously charged. There can be no assurance that our other drugs and any

approved drug candidates will be included in the NRDL. Products included in the NRDL are typically generic and essential drugs. Innovative drugs similar to our drug candidates have historically been more limited on their inclusion in the NRDL due to the affordability of the government's Basic Medical Insurance. As a result, revenue from sales of drugs not listed in the NRDL is largely self-paid by patients. On the other hand, inclusion of a drug in the NRDL or provincial or local medical insurance catalogues may increase demand but result in decreased revenue as a result of lower prices that are included in the NRDL or provincial or local medical insurance catalogues.

The Chinese State Council asked central and provincial authorities across the PRC to promote a medical insurance program for major illnesses.

According to the PRC Central Government's guidance issued in March 2015, each province will decide which drugs to include in its provincial major illness reimbursement lists and the percentage of reimbursement, based on local funding. Although it will take three years to establish a comprehensive national coverage, the affordability of the expensive, novel cancer agents to Chinese patients will improve significantly and the targeted therapy market is expected to enter a fast growing period.

We intend to seek approval to market our drug candidates in the United States, China, Europe and in other selected jurisdictions. In some non-U.S. countries, particularly those in the European Union, the pricing of drugs and biologics is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after obtaining regulatory approval of a drug candidate. In addition, market acceptance and sales of our drugs and drug candidates will depend significantly on the availability of adequate coverage and reimbursement from third-party payors for drugs and any approved drug candidates and may be affected by existing and future health care reform measures.

**** Recently enacted and future legislation may increase the difficulty and cost for us to obtain regulatory approval of and commercialize our drug candidates and affect the prices we may obtain.***

In the United States, China, European Union and some other jurisdictions, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay regulatory approval of our drug candidates, restrict or regulate post-approval activities and affect our ability to profitably sell our drugs and any drug candidates for which we obtain regulatory approval.

In the United States, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, or the MMA, changed the way Medicare covers and pays for pharmaceutical products. The legislation expanded Medicare coverage for drug purchases by the elderly and introduced a new reimbursement methodology based on average sales prices for physician-administered drugs. In addition, this legislation provided authority for limiting the number of drugs that will be covered in any therapeutic class. Cost reduction initiatives and other provisions of this legislation could decrease the coverage and price that we receive for any approved products. While the MMA only applies to drug benefits for Medicare beneficiaries, private payors often follow Medicare coverage policy and payment limitations in setting their own reimbursement rates. Therefore, any reduction in reimbursement that results from the MMA may result in a similar reduction in payments from private payors.

More recently, in March 2010, then-President Obama signed into law the ACA, a sweeping law intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against fraud and abuse, add new transparency requirements for the healthcare and health insurance industries, impose new taxes and fees on the health industry and impose additional health policy reforms.

Among the provisions of the ACA of importance to our potential drug candidates are the following:

- an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologics;

- an increase in the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program;

- expansion of healthcare fraud and abuse laws, including the False Claims Act and the Anti-Kickback Statute, new government investigative powers, and enhanced penalties for noncompliance;
- a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 50% point-of-sale discounts off negotiated prices;
- extension of manufacturers' Medicaid rebate liability;
- expansion of eligibility criteria for Medicaid programs;
- expansion of the entities eligible for discounts under the Public Health Service Act pharmaceutical pricing program;
- new requirements to report financial arrangements with physicians and teaching hospitals;
- a new requirement to annually report drug samples that manufacturers and distributors provide to physicians; and
- a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research.

In addition, other legislative changes have been proposed and adopted in the United States since the ACA was enacted. These changes included aggregate reductions to Medicare payments to providers of up to 2% per fiscal year, starting in 2013. In January 2013, then-President Obama signed into law the American Taxpayer Relief Act of 2012, which, among other things, reduced Medicare payments to several providers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. These laws may result in additional reductions in Medicare and other healthcare funding.

We expect that the ACA, as well as other healthcare reform measures that may be adopted in the future, may result in more rigorous coverage criteria and in additional downward pressure on the price that we receive for any approved drug. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our drugs.

Legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for pharmaceutical products. We cannot be sure whether additional legislative changes will be enacted, or whether FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the regulatory approvals of our drug candidates, if any, may be. In addition, increased scrutiny by the U.S. Congress of the FDA's approval process may significantly delay or prevent regulatory approval, as well as subject us to more stringent product labeling and post-marketing testing and other requirements.

With the new Administration and Congress, there will likely be additional administrative or legislative changes, including modification, repeal, or replacement of all, or certain provisions of, the ACA. In January 2017, Congress voted to adopt a budget resolution for fiscal year 2017, that while not a law, is widely viewed as the first step toward the passage of legislation that would repeal certain aspects of the ACA. In May 2017, the House of Representatives passed legislation to repeal and replace parts of the ACA. The Senate considered but did not pass that legislation, and there are other legislative proposals relating to healthcare reform. Further, on January 20, 2017, President Trump signed an Executive Order directing federal agencies with authorities and responsibilities under the ACA to waive, defer, grant exemptions from, or delay the implementation of any provision of the ACA that would impose a fiscal burden on states or a cost, fee, tax, penalty or regulatory burden on individuals, healthcare providers, health insurers, or manufacturers of pharmaceuticals or medical devices. In addition, while the Trump Administration has threatened to allow the ACA to implode, a bipartisan group of legislators is working to address certain problems with the ACA. Accordingly, it remains to be seen whether new legislation modifying the ACA is enacted and, if so, precisely what the new legislation will

provide, when it will be enacted and what impact it will have on the availability of healthcare and containing or lowering the cost of healthcare. The implications of a potential repeal and/or replacement of the ACA for our business and financial condition, if any, are not yet clear.

We may be subject, directly or indirectly, to applicable U.S. federal and state anti-kickback, false claims laws, physician payment transparency laws, fraud and abuse laws or similar healthcare and security laws and regulations, which could expose us to criminal sanctions, civil penalties, contractual damages, reputational harm and diminished profits and future earnings.

Healthcare providers, physicians and others play a primary role in the recommendation and prescription of any products for which we obtain regulatory approval. If we obtain FDA approval for any of our drug candidates and begin commercializing those drugs in the United States, our operations may be subject to various federal and state fraud and abuse laws, including, without limitation, the federal Anti-Kickback Statute, the federal False Claims Act, and physician payment sunshine laws and regulations. These laws may impact, among other things, our proposed sales, marketing and education programs. In addition, we may be subject to patient privacy regulation by both the federal government and the states in which we conduct our business. The laws that may affect our ability to operate include:

- the federal Anti-Kickback Statute, which prohibits, among other things, knowingly and willfully soliciting, receiving, offering or paying any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, either the referral of an individual, or the purchase, lease, order or recommendation of any good, facility, item or service for which payment may be made, in whole or in part, under a federal healthcare program, such as the Medicare and Medicaid programs;

- federal civil and criminal false claims laws and civil monetary penalty laws, such as the federal False Claims Act, which impose criminal and civil penalties and authorize civil whistleblower or qui tam actions, against individuals or entities for, among other things: knowingly presenting, or causing to be presented, to the federal government, claims for payment that are false or fraudulent; making a false statement or record material to a false or fraudulent claim or obligation to pay or transmit money or property to the federal government; or knowingly concealing or knowingly and improperly avoiding or decreasing an obligation to pay money to the federal government. In addition, the government may assert that a claim including items and services resulting from a violation of the federal Anti-Kickback Statute constitutes a false of fraudulent claim for purposes of the False Claims Act;

- the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, which created new federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false statements in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, and their respective implementing regulations, which impose requirements on certain covered healthcare providers, health plans, and healthcare clearinghouses as well as their respective business associates that perform services for them that involve the use, or disclosure of, individually identifiable health information, relating to the privacy, security and transmission of individually identifiable health information;

- the federal false statements statute prohibits knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement in connection with the delivery of or payment for healthcare benefits, items or services;

- the federal transparency requirements under the ACA, including the provision commonly referred to as the Physician Payments Sunshine Act, which requires manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children’s Health Insurance Program

to report annually to the U.S. Department of Health and Human Services information related to payments or other transfers of value made to physicians and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members; and

- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers.

Additionally, we are subject to state and non-U.S. equivalents of each of the healthcare laws described above, among others, some of which may be broader in scope and may apply regardless of the payor. Many U.S. states have adopted laws similar to the federal Anti-Kickback Statute, some of which apply to the referral of patients for healthcare services reimbursed by any source, not just governmental payors, including private insurers. In addition, some states have passed laws that require pharmaceutical companies to comply with the April 2003 Office of Inspector General Compliance Program Guidance for Pharmaceutical Manufacturers and/or the Pharmaceutical Research and Manufacturers of America's Code on Interactions with Healthcare Professionals. Several states also impose other marketing restrictions or require pharmaceutical companies to make marketing or price disclosures to the state. There are ambiguities as to what is required to comply with these state requirements and if we fail to comply with an applicable state law requirement we could be subject to penalties.

Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws. In addition, recent health care reform legislation has strengthened these laws. For example, the ACA, among other things, amends the intent requirement of the federal Anti-Kickback and criminal healthcare fraud statutes. As a result of such amendment, a person or entity no longer needs to have actual knowledge of these statutes or specific intent to violate them in order to have committed a violation. Moreover, the ACA provides that the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act.

Violations of fraud and abuse laws may be punishable by criminal and/or civil sanctions, including penalties, fines and/or exclusion or suspension from federal and state healthcare programs such as Medicare and Medicaid and debarment from contracting with the U.S. government. In addition, private individuals have the ability to bring actions on behalf of the U.S. government under the federal False Claims Act as well as under the false claims laws of several states.

Neither the U.S. government nor the U.S. courts have provided definitive guidance on the application of fraud and abuse laws to our business. Law enforcement authorities are increasingly focused on enforcing these laws, and it is possible that some of our practices may be challenged under these laws. Efforts to ensure that our business arrangements with third parties will comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, disgorgement, monetary fines, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations. In addition, the approval and commercialization of any of our drug candidates outside the United States will also likely subject us to non-U.S. equivalents of the healthcare laws mentioned above, among other non-U.S. laws.

If any of the physicians or other providers or entities with whom we expect to do business with are found to be not in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs, which may also adversely affect our business.

We may explore the licensing of commercialization rights or other forms of collaboration worldwide, which will expose us to additional risks of conducting business in additional international markets.

Non-U.S. markets are an important component of our growth strategy. For example, in connection with the Celgene transactions, we retained exclusive rights for the development and commercialization of BGB-A317 for hematological cancers globally and for solid tumors in China and the rest of Asia, other than Japan. We intend to focus on additional opportunities in China, in particular. If we fail to obtain licenses or enter into collaboration arrangements with third parties in these markets, or if these parties are not successful, our revenue-generating growth potential will be adversely affected. Moreover, international business relationships subject us to additional risks that may materially adversely affect our ability to attain or sustain profitable operations, including:

- efforts to enter into collaboration or licensing arrangements with third parties in connection with our international sales, marketing and distribution efforts may increase our expenses or divert our management's attention from the acquisition or development of drug candidates;
- changes in a specific country's or region's political and cultural climate or economic condition;
- differing regulatory requirements for drug approvals and marketing internationally
- difficulty of effective enforcement of contractual provisions in local jurisdictions;
- potentially reduced protection for intellectual property rights;
- potential third-party patent rights;
- unexpected changes in tariffs, trade barriers and regulatory requirements;
- economic weakness, including inflation or political instability, particularly in non-U.S. economies and markets;
- compliance with tax, employment, immigration and labor laws for employees traveling abroad;
- the effects of applicable non-U.S. tax structures and potentially adverse tax consequences;
- currency fluctuations, which could result in increased operating expenses and reduced revenue, and other obligations incidental to doing business in another country;
- workforce uncertainty and labor unrest, particularly in non-U.S. countries where labor unrest is more common than in the United States;
- the potential for so-called parallel importing, which is what happens when a local seller, faced with high or higher local prices, opts to import goods from a non-U.S. market with low or lower prices rather than buying them locally;
- failure of our employees and contracted third parties to comply with Office of Foreign Asset Control rules and regulations and the Foreign Corrupt Practices Act;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism, or natural disasters, including earthquakes, volcanoes, typhoons, floods, hurricanes and fires.

These and other risks may materially adversely affect our ability to attain or sustain revenue from international markets.

The illegal distribution and sale by third parties of counterfeit versions of our drugs or stolen products could have a negative impact on our reputation and business.

Third parties might illegally distribute and sell counterfeit or unfit versions of our drugs, which do not meet our or our collaborators' rigorous manufacturing and testing standards. A patient who receives a counterfeit or unfit drug may be at risk for a number of dangerous health consequences. Our reputation and business could suffer harm as a result of counterfeit or unfit drugs sold under our or our collaborators' brand name(s). In addition, thefts of inventory at warehouses, plants or while in-transit, which are not properly stored and which are sold through unauthorized channels, could adversely impact patient safety, our reputation and our business.

Risks Related to Our Intellectual Property

A significant portion of our intellectual property portfolio currently comprises pending patent applications that have not yet been issued as granted patents and if our pending patent applications fail to issue our business will be adversely affected. If we are unable to obtain and maintain patent protection for our technology and drugs, our competitors could develop and commercialize technology and drugs similar or identical to ours, and our ability to successfully commercialize our technology and drugs may be adversely affected.

Our success depends in large part on our ability to obtain and maintain patent protection in the United States, the PRC and other countries with respect to our proprietary technology and drug candidates. As of October 31, 2017, we own eleven issued U.S. patents, nine pending U.S. patent applications and one U.S. provisional patent application as well as corresponding patents and patent applications internationally. In addition, we own eight pending international patent applications under the PCT and seven priority international patent applications under the PCT, which we plan to file nationally in the United States and other jurisdictions. With respect to any issued patents in the United States and Europe, we may be entitled to obtain a patent term extension to extend the patent expiration date provided we meet the applicable requirements for obtaining such patent term extensions. We have sought to protect our proprietary position by filing patent applications in the United States, the PRC and other countries related to novel technologies and drug candidates that we consider are important to our business. This process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our pending and future patent applications may not result in patents being issued which protect our technology or drug candidates or which effectively prevent others from commercializing competitive technologies and drug candidates. Changes in either the patent laws or interpretation of the patent laws in the United States and other countries may diminish the value of our patents or narrow the scope of our patent protection. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we were the first to make the inventions claimed in our patents or pending patent applications, or that we were the first to file for patent protection of such inventions. Assuming the other requirements for patentability are met, the first to file a patent application is entitled to the patent. Under the Leahy-Smith America Invents Act enacted in 2011, the United States moved to this first-to-file system in early 2013 from the previous system under which the first to make the claimed invention was entitled to the patent. We may become involved in interference *inter partes* review, post grant review, *ex parte* reexamination, derivation, opposition or other similar proceedings challenging our patent rights or the patent rights of others. An adverse determination in any such proceeding could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology or drug candidates and compete directly with us, or result in our inability to manufacture or commercialize drug candidates without infringing third-party patent rights.

There can be no assurance that our pending patent applications will result in issued patents in the United States or non-U.S. jurisdictions in which such applications are pending. Even if patents do issue on any of these applications, there can be no assurance that a third party will not challenge their validity or that we will obtain sufficient claim scope in those patents to prevent a third party from competing successfully with our drug candidates. Even if our patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage. Our competitors may be able to circumvent our patents by developing similar or alternative technologies or drug candidates in a non-infringing manner. The issuance of a patent is not conclusive as to its scope, validity or enforceability, and our owned and licensed patents may be challenged in the courts or patent offices in the United States and abroad. Such challenges may result in patent claims being narrowed, invalidated or held unenforceable, which could limit our ability to stop or prevent us from stopping others from using or commercializing similar or identical technology and drug candidates, or limit the duration of the patent protection of our technology and drug candidates. Given the amount of time required for the development, testing and regulatory review of new drug candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing drug candidates similar or identical to ours.

We may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting, maintaining and defending patents on drug candidates in all countries throughout the world could be prohibitively expensive for us, and our intellectual property rights in some non-U.S. countries can have a different scope and strength than do those in the United States. In addition, the laws of certain non-U.S. countries do not protect intellectual property rights to the same extent as U.S. federal and state laws do. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing drugs made using our inventions in and into the United States or non-U.S. jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own drugs and further, may export otherwise infringing drugs to non-U.S. jurisdictions where we have patent protection, but where enforcement rights are not as strong as those in the United States. These drugs may compete with our drug candidates and our patent rights or other intellectual property rights may not be effective or adequate to prevent them from competing.

We currently hold issued trademark registrations and have trademark applications pending, any of which may be the subject of a governmental or third-party objection, which could prevent the maintenance or issuance of the same. If we are unsuccessful in obtaining trademark protection for our primary brands, we may be required to change our brand names, which could materially adversely affect our business. Moreover, as our products mature, our reliance on our trademarks to differentiate us from our competitors will increase, and as a result, if we are unable to prevent third parties from adopting, registering or using trademarks and trade dress that infringe, dilute or otherwise violate our trademark rights, our business could be materially adversely affected.

Many companies have encountered significant problems in protecting and defending intellectual property rights in certain jurisdictions, including China. The legal systems of some countries do not favor the enforcement of patents, trade secrets and other intellectual property, particularly those relating to biopharmaceutical products, which could make it difficult in those jurisdictions for us to stop the infringement or misappropriation of our patents or other intellectual property rights, or the marketing of competing drugs in violation of our proprietary rights.

Proceedings to enforce our patent and other intellectual property rights in non-U.S. jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business.

Furthermore, such proceedings could put our patents at risk of being invalidated, held unenforceable, or interpreted narrowly, could put our patent applications at risk of not issuing, and could provoke third parties to assert claims of infringement or misappropriation against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop.

We may become involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time consuming and unsuccessful. Our patent rights relating to our drug candidates could be found invalid or unenforceable if challenged in court or before the U.S. Patent and Trademark Office or comparable non-U.S. authority.

Competitors may infringe our patent rights or misappropriate or otherwise violate our intellectual property rights. To counter infringement or unauthorized use, litigation may be necessary in the future to enforce or defend our intellectual property rights, to protect our trade secrets or to determine the validity and scope of our own intellectual property rights or the proprietary rights of others. This can be expensive and time consuming. Any claims that we assert against perceived infringers could also provoke these parties to assert counterclaims against us alleging that we infringe their intellectual property rights. Many of our current and potential competitors have the ability to dedicate substantially greater resources to enforce and/or defend their intellectual property rights than we can. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating our intellectual property. Litigation could result in substantial costs and diversion of management resources, which could harm our business and financial results. In addition, in an infringement proceeding, a court may decide that patent rights or other intellectual property rights owned by us are invalid or unenforceable, or may refuse to stop the other party from using the technology at issue on the grounds that our patent rights or other intellectual property rights do not cover the technology in question. An adverse result in any litigation proceeding could put our patent, as well as any patents that may issue in the future from our pending patent applications, at risk of being invalidated, held unenforceable or interpreted narrowly. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation.

If we initiate legal proceedings against a third party to enforce our patent, or any patents that may issue in the future from our patent applications, that relates to one of our drug candidates, the defendant could counterclaim that such patent rights are invalid or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace, and there are numerous grounds upon which a third party can assert invalidity or unenforceability of a patent. Third parties may also raise similar claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include *ex parte* re-examination, *inter partes* review, post-grant review, derivation and equivalent proceedings in non-U.S. jurisdictions, such as opposition proceedings. Such proceedings could result in revocation or amendment to our patents in such a way that they no longer cover and protect our drug candidates. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to the validity of our patents, for example, we cannot be certain that there is no invalidating prior art of which we, our patent counsel, and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our drug candidates. Such a loss of patent protection could have a material adverse impact on our business.

We may not be able to prevent misappropriation of our trade secrets or confidential information, particularly in countries where the laws may not protect those rights as fully as in the United States. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation.

We may be subject to claims challenging the inventorship of our patents and other intellectual property.

Although we are not currently experiencing any claims challenging the inventorship of our patents or ownership of our intellectual property, we may in the future be subject to claims that former employees, collaborators or other third parties have an interest in our patents or other intellectual property as inventors or co-inventors. For example, we may have inventorship disputes arise from conflicting obligations of consultants or others who are involved in developing our drug candidates. Litigation may be necessary to defend against these and other claims challenging inventorship. If we fail in defending any such claims, in addition to paying monetary damages, we may lose rights such as exclusive ownership of, or right to use, our patent rights or other intellectual property. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

If we are sued for infringing intellectual property rights of third parties, such litigation could be costly and time consuming and could prevent or delay us from developing or commercializing our drug candidates.

Our commercial success depends in part on our avoiding infringement of the patents and other intellectual property rights of third parties. There is a substantial amount of litigation involving patent and other intellectual property rights in the biotechnology and pharmaceutical industries, including *inter partes* review, post grant review, interference and *ex parte* reexamination proceedings before the United States Patent and Trademark Office or oppositions and other comparable proceedings in non-U.S. jurisdictions. Numerous issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing drug candidates. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our drug candidates may give rise to claims of infringement of the patent rights of others.

Third parties may assert that we are employing their proprietary technology without authorization. There may be third-party patents of which we are currently unaware with claims to materials, formulations, methods of manufacture or methods for treatment related to the use or manufacture of our drug candidates. Because patent applications can take many years to issue, there may be currently pending patent applications which may later result in issued patents that our drug candidates may infringe. In addition, third parties may obtain patents in the future and claim that use of our technologies infringes upon these patents. If any third-party patents were held by a court of competent jurisdiction to cover the manufacturing process of any of our drug candidates, any molecules formed during the manufacturing process or any final product itself, the holders of any such patents may be able to prevent us from commercializing such drug candidate unless we obtain a license under the applicable patents, or until such patents expire or they are finally determined to be held invalid or unenforceable. Similarly, if any third-party patent were held by a court of competent jurisdiction to cover aspects of our formulations, processes for manufacture or methods of use, including combination therapy or patient selection methods, the holders of any such patent may be able to block our ability to develop and commercialize the applicable drug candidate unless we obtain a license, limit our uses, or until such patent expires or is finally determined to be held invalid or unenforceable. In either case, such a license may not be available on commercially reasonable terms or at all.

Third parties who bring successful claims against us for infringement of their intellectual property rights may obtain injunctive or other equitable relief, which could prevent us from developing and commercializing one or more of our drug candidates. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business. In the event of a successful claim of infringement or misappropriation against us, we may have to pay substantial damages, including treble damages and attorneys' fees in the case of willful infringement, obtain one or more licenses from third parties, pay royalties or redesign our infringing drug candidates, which may be impossible or require substantial time and monetary expenditure. In the event of an adverse result in any such litigation, or even in the absence of litigation, we may need to obtain licenses from third parties to advance our research or allow commercialization of our drug candidates. We cannot predict whether any required license would be available at all or whether it would be available on commercially reasonable terms, and we may fail to obtain any of these licenses on commercially reasonable terms, if at all. In the event that we are unable to obtain such a license, we would be unable to further develop and commercialize one or more of our drug candidates, which could harm our business significantly. We may also elect to enter into license agreements in order to settle patent infringement claims or to resolve disputes prior to litigation, and any such license agreements may require us to pay royalties and other fees that could significantly harm our business.

Specifically, we are aware of three U.S. patents owned by Ono Pharmaceutical Co., or Ono, and licensed to Bristol-Myers Squibb Co., or BMS, that are relevant to our BGB-A317 drug candidate. These patents are expected to expire in 2023, 2023 and 2024, respectively. In addition, we are aware of two other U.S. patents that cover antibodies containing certain stabilizing mutations that are relevant to our BGB-A317 drug candidate. These patents are expected to expire in 2026 and 2029 in the United States. Although we believe that the claims of these various patents would likely be held invalid, we cannot provide any assurances that a court or an administrative agency would agree with our assessment. If the validity of the relevant claims of these various patents is upheld upon a validity challenge, and BGB-A317 is approved for sale in the United States before the expiration of these various patents, then we will need licenses to commercialize BGB-A317 in the United States before the expiration of these patents. In addition, depending upon the circumstances, we may need licenses for jurisdictions outside the United States where we wish to commercialize BGB-

A317 before the expiration of corresponding patents covering BGB-A317. Although Merck & Co. was able to obtain a non-exclusive license for its KEYTRUDA product from BMS and Ono in January 2017 as part of a settlement of a patent dispute between the parties, we can provide no assurance that we will be able to obtain such a license or other licenses on commercially reasonable terms or at all, which could materially and adversely affect our business.

In addition, we are aware of a U.S. patent owned by Pharmacyclics, Inc., which was acquired by AbbVie, Inc., with certain claims directed to a complex of an irreversible BTK inhibitor having a covalent bond to a cysteine residue of a BTK. This patent is expected to expire in 2027. Although we believe that the claims of the patent relevant to our BGB-3111 drug candidate would likely be held invalid, we cannot provide any assurances that a court or an administrative agency would agree with our assessment. If the validity of the relevant claims in question is upheld upon a validity challenge, and BGB-3111 is approved for sale in the United States before the expiration of the U.S. patent, then we would need a license in order to commercialize BGB-3111 in the United States. In addition, depending upon the circumstances, we may need a license for jurisdictions outside the United States where we wish to commercialize BGB-3111 before the expiration of a corresponding patent covering BGB-3111. However, such a license may not be available on commercially reasonable terms or at all, which could materially and adversely affect our business.

We are also aware of three U.S. patents, owned or licensed by KuDOS Pharmaceuticals, Ltd., which was acquired by AstraZeneca PLC, with claims directed to using PARP inhibitors to treat cancers with certain defects in homologous recombination including, in some cases, a BRCA1 or BRCA2 mutation. These patents are expected to expire between 2027 and 2031 in the United States. Although we believe that the claims of these patents relevant to our BGB-290 drug candidate would likely be held invalid, we cannot provide any assurances that a court or an administrative agency would agree with our assessment. While we are currently conducting and plan to conduct trials that include cancer patients with a BRCA1 or BRCA2 mutation, we are uncertain whether BGB-290 as commercialized will be used to treat cancer patients limited to having BRCA1 or BRCA2 mutation either in a monotherapy or a combination therapy. If BGB-290 is approved for sale in the United States for patients whose cancers have a BRCA1 or BRCA2 mutation, and if the validity of the relevant claims of these U.S. patents is upheld upon a validity challenge, then we would need a license in order to commercialize BGB-290 prior to expiration of these U.S. patents. In addition, we are also aware of corresponding issued patents in Europe and China. Depending upon the circumstances, we may need a license for jurisdictions outside the United States where we wish to commercialize BGB-290 before the expiration of a corresponding patent covering BGB-290. However, such a license may not be available on commercially reasonable terms or at all, which could materially and adversely affect our business.

Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses, and could distract our technical personnel, management personnel, or both from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the market price of the ADSs. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment, and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for noncompliance with these requirements.

Periodic maintenance fees on any issued patent are due to be paid to the USPTO and other patent agencies in several stages over the lifetime of the patent. The USPTO and various non-U.S. governmental patent agencies require compliance with a number of procedural, documentary, fee payment, and other similar provisions during the patent application process. Although an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Noncompliance events that could result in abandonment or lapse of a patent or patent application include failure to

respond to official actions within prescribed time limits, non-payment of fees, and failure to properly legalize and submit formal documents. In any such event, our competitors might be able to enter the market, which would have a material adverse effect on our business.

The terms of our patents may not be sufficient to effectively protect our drugs and drug candidates and business.

In most countries in which we file, including the United States, the term of an issued patent is generally 20 years from the earliest claimed filing date of a non-provisional patent application in the applicable country. Although various extensions may be available, the life of a patent and the protection it affords, is limited. For example, the approved cancer therapies we have licensed from Celgene in China, ABRAXANE®, REVLIMID®, and VIDAZA®, face or are expected to face competition from generic medications, and we may face similar competition for any approved drug candidates even if we successfully obtain patent protection once the patent life has expired for the drug. Manufacturers of generic drugs may challenge the scope, validity or enforceability of our owned or licensed patents in court, and we or our licensors may not be successful in enforcing or defending those intellectual property rights and, as a result, may not be able to develop or market the relevant product exclusively, which would have a material adverse effect on any potential sales of that product. If patents are issued on our currently pending patent applications, the resulting patents will be expected to expire on dates ranging from 2031 to 2035, excluding any potential patent term extension or adjustment. Upon the expiration of our issued patent or patents that may issue from our pending patent applications, we will not be able to assert such patent rights against potential competitors and our business and results of operations may be adversely affected.

If we do not obtain additional protection under the Hatch-Waxman Amendments and similar legislation in other countries extending the terms of our patents, if issued, relating to our drug candidates, our business may be materially harmed.

Depending upon the timing, duration and specifics of FDA regulatory approval for our drug candidates, one or more of our U.S. patents, if issued, may be eligible for limited patent term restoration under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent term extension of up to five years as compensation for patent term lost during drug development and the FDA regulatory review process. Patent term extensions, however, cannot extend the remaining term of a patent beyond a total of 14 years from the date of drug approval by the FDA, and only one patent can be extended for a particular drug.

The application for patent term extension is subject to approval by the USPTO, in conjunction with the FDA. We may not be granted an extension because of, for example, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. If we are unable to obtain a patent term extension for a given patent or the term of any such extension is less than we request, the period during which we will have the right to exclusively market our drug will be shortened and our competitors may obtain earlier approval of competing drugs, and our ability to generate revenues could be materially adversely affected.

Changes in patent law could diminish the value of patents in general, thereby impairing our ability to protect our drug candidates.

As is the case with other biopharmaceutical companies, our success is heavily dependent on intellectual property, particularly patent rights. Obtaining and enforcing patents in the biopharmaceutical industry involves both technological and legal complexity, and is therefore costly, time-consuming, and inherently uncertain. In addition, the United States has recently enacted and is currently implementing wide-ranging patent reform legislation. Recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents once obtained, if any. Depending on decisions by the U.S. Congress, the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future. For example, in a recent case, *Assoc. for Molecular Pathology v. Myriad Genetics, Inc* ., the U.S. Supreme Court held that certain claims to naturally-occurring substances are not patentable.

Although we do not believe that our currently-issued patent and any patents that may issue from our pending patent applications directed to our drug candidates if issued in their currently pending forms, as well as patent rights licensed by us, will be found invalid based on this decision, we cannot predict how future decisions by the courts, the U.S. Congress or the USPTO may impact the value of our patent rights. There could be similar changes in the laws of foreign jurisdictions that may impact the value of our patent rights or our other intellectual property rights.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed. We may be subject to claims that our employees have wrongfully used or disclosed alleged trade secrets of their former employers.

In addition to our issued patent and pending patent applications, we rely on trade secrets, including unpatented know-how, technology and other proprietary information, to maintain our competitive position and to protect our drug candidates. We seek to protect these trade secrets, in part, by entering into non-disclosure and confidentiality agreements with parties that have access to them, such as our employees, corporate collaborators, outside scientific collaborators, sponsored researchers, contract manufacturers, consultants, advisors and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants. However, any of these parties may breach such agreements and disclose our proprietary information, and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time-consuming, and the outcome is unpredictable. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them from using that technology or information to compete with us and our competitive position would be harmed.

Furthermore, many of our employees, including our senior management, were previously employed at other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Some of these employees, including each member of our senior management, executed proprietary rights, non-disclosure and non-competition agreements in connection with such previous employment. Although we try to ensure that our employees do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these employees have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such employee's former employer. We are not aware of any threatened or pending claims related to these matters or concerning the agreements with our senior management, but in the future litigation may be necessary to defend against such claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

In addition, while we typically require our employees, consultants and contractors who may be involved in the development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who in fact develops intellectual property that we regard as our own, which may result in claims by or against us related to the ownership of such intellectual property. If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs and be a distraction to our management and scientific personnel.

We may not be successful in obtaining or maintaining necessary rights for our development pipeline through acquisitions and in-licenses.

Because our programs may involve additional drug candidates that may require the use of proprietary rights held by third parties, the growth of our business may depend in part on our ability to acquire and maintain licenses or other rights to use these proprietary rights. We may be unable to acquire or in-license any compositions, methods of use, or other third-party intellectual property rights from third parties that we identify. The licensing and acquisition of third-party intellectual property rights is a competitive area, and a number of more established companies are also pursuing strategies to license or acquire third-party intellectual property rights that we may consider attractive. These established companies may have a competitive advantage over us due to their size, cash resources and greater clinical development and commercialization capabilities.

In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on our investment. If we are unable to successfully obtain rights to required third-party intellectual property rights, our business, financial condition and prospects for growth could suffer.

If we fail to comply with our obligations in the agreements under which we license intellectual property rights from third parties or otherwise experience disruptions to our business relationships with our licensors, we could be required to pay monetary damages or could lose license rights that are important to our business.

We have entered into license agreements with third parties providing us with rights under various third-party patents and patent applications, including the rights to prosecute patent applications and to enforce patents. Certain of these license agreements impose and, for a variety of purposes, we may enter into additional licensing and funding arrangements with third parties that also may impose, diligence, development or commercialization timelines and milestone payment, royalty, insurance and other obligations on us. Under certain of our existing licensing agreements, we are obligated to pay royalties on net product sales of our drug candidates once commercialized, pay a percentage of sublicensing revenues, make other specified payments relating to our drug candidates or pay license maintenance and other fees. We also have diligence and clinical development obligations under certain of these agreements that we are required to satisfy. If we fail to comply with our obligations under our current or future license agreements, our counterparties may have the right to terminate these agreements, in which event we might not be able to develop, manufacture or market any drug or drug candidate that is covered by the licenses provided for under these agreements or we may face claims for monetary damages or other penalties under these agreements. Such an occurrence could diminish the value of these products and our company. Termination of the licenses provided for under these agreements or reduction or elimination of our rights under these agreements may result in our having to negotiate new or reinstated agreements with less favorable terms, or cause us to lose our rights under these agreements, including our rights to important intellectual property or technology.

Risks Related to Our Reliance on Third Parties

****We rely on third parties to conduct our preclinical studies and clinical trials and we must work effectively with collaborators to develop our drug candidates. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our drug candidates and our business could be substantially harmed.***

We have relied upon and plan to continue to rely upon third-party CROs to monitor and manage data for our ongoing preclinical and clinical programs. We rely on these parties for execution of our preclinical studies and clinical trials, and control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol, legal and regulatory requirements and scientific standards, and our reliance on the CROs does not relieve us of our regulatory responsibilities. We, our CROs for our clinical programs and our clinical investigators are required to comply with GCPs, which are regulations and guidelines enforced by the FDA, CFDA, EMA and other comparable regulatory authorities for all of our drugs in clinical development. Regulatory authorities enforce these GCPs through periodic inspections of trial sponsors, principal investigators and trial sites. If we or any of our CROs or clinical investigators fail to comply with applicable GCPs, the clinical data generated in our clinical trials may be deemed unreliable and the FDA, CFDA, EMA or comparable regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials comply with GCP regulations. In addition, our clinical trials must be conducted with product produced under cGMP regulations. Our failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process.

Our CROs have the right to terminate their agreements with us in the event of an uncured material breach. In addition, some of our CROs have an ability to terminate their respective agreements with us if it can be reasonably demonstrated that the safety of the subjects participating in our clinical trials warrants such termination, if we make a general assignment for the benefit of our creditors or if we are liquidated.

If any of our relationships with these third-party CROs terminate, we may not be able to enter into arrangements with alternative CROs or to do so on commercially reasonable terms. In addition, our CROs are not our employees, and except for remedies available to us under our agreements with such CROs, we cannot control whether or not they devote sufficient time and resources to our ongoing clinical and nonclinical programs. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they or our clinical investigators obtain is compromised due to the failure to adhere to our clinical protocols, regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our drug candidates. As a result, our results of operations and the commercial prospects for our drug candidates would be harmed, our costs could increase and our ability to generate revenues could be delayed.

Switching or adding additional CROs involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which can materially influence our ability to meet our desired clinical development timelines. Though we carefully manage our relationships with our CROs, there can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have a material adverse effect on our business, financial condition and prospects.

Our future revenues are dependent on our ability to work effectively with collaborators to develop our product candidates, including to obtain regulatory approval. Our arrangements with collaborators will be critical to successfully bringing products to market and commercializing them. We rely on collaborators in various respects, including to undertake research and development programs and conduct clinical trials for our licensed technology, manage or assist with the regulatory filings and approval process and to assist with our commercialization efforts. We do not control our collaborators; therefore, we cannot ensure that these third parties will adequately and timely perform all of their obligations to us. If they fail to complete the remaining studies successfully, or at all, it could delay, adversely affect or prevent regulatory approval. We cannot guarantee the satisfactory performance of any of our collaborators and if any of our collaborators breach or terminate their agreements with us, we may not be able to successfully commercialize the licensed product which could materially and adversely affect our business, financial condition, cash flows and results of operations.

We expect to rely on third parties to manufacture at least a portion of our drug candidate supplies, and we intend to rely on third parties for some or all of our drugs and any approved drug candidates. Our business could be harmed if those third parties fail to provide us with sufficient quantities of product or fail to do so at acceptable quality levels or prices.

Although we currently have a facility that may be used as our clinical-scale manufacturing and processing facility and are building manufacturing facilities in China, we intend to at least partially rely on outside vendors to manufacture supplies and process our drugs and drug candidates. For example, we rely on Celgene and its third-party manufacturers for supply of ABRAXANE®, REVLIMID®, and VIDAZA® in China. We have not yet caused our drug candidates to be manufactured or processed on a commercial scale and may not be able to do so for any of our drug candidates. We have limited experience in managing the manufacturing process, and our process may be more difficult or expensive than the approaches currently in use.

Although we intend to further develop our own manufacturing facilities, we also intend to use third parties as part of our manufacturing process. Our anticipated reliance on a limited number of third-party manufacturers exposes us to the following risks:

- we may be unable to identify manufacturers on acceptable terms or at all because the number of potential manufacturers is limited and the FDA, CFDA, EMA or other comparable regulatory authorities must evaluate and/or approve any manufacturers as part of their regulatory oversight of our drug candidates. This evaluation would require new testing and cGMP-compliance inspections by FDA, CFDA, EMA or other comparable regulatory authorities. In addition, a new manufacturer would have to be educated in, or develop substantially equivalent processes for, production of our drugs and drug candidates;

- our manufacturers may have little or no experience with manufacturing our drug candidates, and therefore may require a significant amount of support from us in order to implement and maintain the infrastructure and processes required to manufacture our drug candidates;
- our third-party manufacturers might be unable to timely manufacture our drugs and drug candidates or produce the quantity and quality required to meet our clinical and commercial needs, if any;
- contract manufacturers may not be able to execute our manufacturing procedures and other logistical support requirements appropriately;
- our third-party manufacturers may not perform as agreed, may not devote sufficient resources to our drugs and drug candidates, or may not remain in the contract manufacturing business for the time required to supply our clinical trials or to successfully produce, store and distribute our drugs and drug candidates;
- manufacturers are subject to ongoing periodic unannounced inspection by the FDA and corresponding state agencies in the United States to ensure strict compliance with cGMPs and other government regulations and by other comparable regulatory authorities for corresponding non-U.S. requirements. We do not have control over third-party manufacturers' compliance with these regulations and requirements;
- we may not own, or may have to share, the intellectual property rights to any improvements made by our third-party manufacturers in the manufacturing process for our drug candidates and drugs;
- our third-party manufacturers could breach or terminate their agreement with us;
- raw materials and components used in the manufacturing process, particularly those for which we have no other source or supplier, may not be available or may not be suitable or acceptable for use due to material or component defects;
- our contract manufacturers and critical reagent suppliers may be subject to inclement weather, as well as natural or man-made disasters; and
- our contract manufacturers may have unacceptable or inconsistent product quality success rates and yields.

Each of these risks could delay or prevent the completion of our clinical trials or the approval of any of our drug candidates by the FDA, CFDA, EMA or other comparable regulatory authorities, result in higher costs or adversely impact commercialization of our drug candidates. In addition, we will rely on third parties to perform certain specification tests on our drugs and drug candidates prior to delivery to patients. If these tests are not appropriately done and test data are not reliable, patients could be put at risk of serious harm and the FDA, CFDA, EMA or other comparable regulatory authorities could place significant restrictions on our company until deficiencies are remedied.

The manufacture of drug and biological products is complex and requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls.

Currently, our drug raw materials for our manufacturing activities are supplied by multiple source suppliers. We have agreements for the supply of drug materials with manufacturers or suppliers that we believe have sufficient capacity to meet our demands. In addition, we believe that adequate alternative sources for such supplies exist. However, there is a risk that, if supplies are interrupted, it would materially harm our business.

Manufacturers of drug and biological products often encounter difficulties in production, particularly in scaling up or out, validating the production process, and assuring high reliability of the manufacturing process (including the absence of contamination). These problems include logistics and shipping, difficulties with production costs and yields, quality control, including stability of the product, product testing, operator error, availability of qualified personnel, as well as compliance with strictly enforced federal, state and non-U.S. regulations. Furthermore, if contaminants are

discovered in our supply of our drugs and drug candidates or in the manufacturing facilities, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination. We cannot assure you that any stability failures or other issues relating to the manufacture of our drug candidates will not occur in the future. Additionally, our manufacturers may experience manufacturing difficulties due to resource constraints or as a result of labor disputes or unstable political environments. If our manufacturers were to encounter any of these difficulties, or otherwise fail to comply with their contractual obligations, our ability to provide our drugs for commercial sale andour drug candidates to patients in clinical trials would be jeopardized. Any delay or interruption in the supply of clinical trial supplies could delay the completion of clinical trials, increase the costs associated with maintaining clinical trial programs and, depending upon the period of delay, require us to begin new clinical trials at additional expense or terminate clinical trials completely.

If third-party manufacturers fail to comply with manufacturing regulations, our financial results and financial condition will be adversely affected.

Before a third party can begin commercial manufacture of our drugs and drug candidates, contract manufacturers are subject to regulatory inspections of their manufacturing facilities, processes and quality systems. Due to the complexity of the processes used to manufacture drug and biological products and our drug candidates, any potential third-party manufacturer may be unable to initially pass federal, state or international regulatory inspections in a cost effective manner in order for us to obtain regulatory approval of our drug candidates. If our contract manufacturers do not pass their inspections by the FDA, CFDA, EMA or other comparable regulatory authorities, our commercial supply of drug product or substance will be significantly delayed and may result in significant additional costs, including the delay or denial of any marketing application for our drug candidates or disruption in sales. In addition, drug and biological manufacturing facilities are continuously subject to inspection by the FDA, CFDA, EMA and other comparable regulatory authorities, before and after drug approval, and must comply with cGMPs. Our contract manufacturers may encounter difficulties in achieving quality control and quality assurance and may experience shortages in qualified personnel. In addition, contract manufacturers' failure to achieve and maintain high manufacturing standards in accordance with applicable regulatory requirements, or the incidence of manufacturing errors, could result in patient injury, product liability claims, product shortages, product recalls or withdrawals, delays or failures in product testing or delivery, cost overruns or other problems that could seriously harm our business. If a third-party manufacturer with whom we contract is unable to comply with manufacturing regulations, we may also be subject to fines, unanticipated compliance expenses, recall or seizure of our drugs, product liability claims, total or partial suspension of production and/or enforcement actions, including injunctions, and criminal or civil prosecution. These possible sanctions could materially adversely affect our financial results and financial condition.

Furthermore, changes in the manufacturing process or procedure, including a change in the location where the product is manufactured or a change of a third-party manufacturer, could require prior review by the FDA, CFDA, EMA or other comparable regulatory authorities and/or approval of the manufacturing process and procedures in accordance with the FDA, CFDA or EMA's regulations or comparable requirements. This review may be costly and time consuming and could delay or prevent the launch of a product. The new facility will also be subject to pre-approval inspection. In addition, we have to demonstrate that the product made at the new facility is equivalent to the product made at the former facility by physical and chemical methods, which are costly and time consuming. It is also possible that the FDA, CFDA, EMA or other comparable regulatory authorities may require clinical testing as a way to prove equivalency, which would result in additional costs and delay.

We have entered into collaborations and may form or seek collaborations or strategic alliances or enter into additional licensing arrangements in the future, and we may not realize the benefits of such alliances or licensing arrangements.

We may form or seek strategic alliances, create joint ventures or collaborations, or enter into additional licensing arrangements with third parties that we believe will complement or augment our development and commercialization efforts with respect to our drug candidates and any future drug candidates that we may develop. Any of these relationships may require us to incur non-recurring and other charges, increase our near and long-term expenditures, issue securities that dilute our existing shareholders, or disrupt our management and business.

For example, in October 2013, we entered into license agreements with Merck KGaA, Darmstadt Germany, which we refer to respectively as the Ex-PRC PARP Agreement and the PRC PARP Agreement, pursuant to which (a) we granted to Merck KGaA, Darmstadt Germany an exclusive license under certain of our intellectual property rights to develop and manufacture, and, if Merck KGaA, Darmstadt Germany exercised a continuation option, to commercialize and manufacture our compound BGB-290 and any other compound covered by the same existing patent rights with primary activity to inhibit PARP 1, 2 or 3 enzymes, or the Licensed PARP Inhibitors, in all countries of the world excluding The People's Republic of China, and (b) Merck KGaA, Darmstadt Germany granted us an exclusive license under certain of its intellectual property rights to develop, manufacture and commercialize the Licensed PARP Inhibitors in The People's Republic of China, or the PRC Territory. Under the terms of the PRC PARP Agreement, Merck KGaA, Darmstadt Germany has an option to acquire exclusive commercialization rights under the BGB-290 PARP program in the PRC Territory if BGB-290 does not receive national priority project status in China under its 12th or 13th five-year plan by July 28, 2017. We applied for national priority project status for BGB-290 to be effective from the beginning of 2017. Our application is in process and we believe it will be approved. However, there have been unanticipated governmental delays that have impacted the 2017 applicant pool for national project priority status and we expect that we will now receive formal notification in 2018. As such, we intend to discuss with Merck KGaA, Darmstadt Germany the impact of this delay on the PRC PARP Agreement.

In addition, on August 31, 2017, we closed a strategic collaboration with Celgene pursuant to which we granted Celgene exclusive rights to develop and commercialize BGB-A317 in patients with solid tumor cancers in the United States, Europe, Japan and the rest of world outside Asia. We and Celgene also agreed to collaborate on up to eight registrational trials for BGB-A317 in solid tumors, including trials currently being planned by us. We retain exclusive rights for the development and commercialization of BGB-A317 for hematological cancers globally and for solid tumors in China and the rest of Asia, other than Japan. In connection with this collaboration, we also acquired Celgene's commercial operations and salesforce in China as disclosed elsewhere in this report.

We face significant competition in seeking appropriate strategic partners and the negotiation process is time-consuming and complex. Moreover, we may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our drug candidates because they may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view our drug candidates as having the requisite potential to demonstrate safety and efficacy. If and when we collaborate with a third party for development and commercialization of a drug candidate, we can expect to relinquish some or all of the control over the future success of that drug candidate to the third party. For any drugs or drug candidates that we may seek to in-license from third parties, we may face significant competition from other pharmaceutical or biotechnology companies with greater resources or capabilities than us, and any agreement that we do enter may result in the anticipated benefits.

Further, collaborations involving our drugs and drug candidates are subject to numerous risks, which may include the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply to a collaboration;
- collaborators may not pursue development and commercialization of our drug candidates or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in their strategic focus due to the acquisition of competitive drugs, availability of funding, or other external factors, such as a business combination that diverts resources or creates competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for a clinical trial, stop a clinical trial, abandon a drug candidate, repeat or conduct new clinical trials, or require a new formulation of a drug candidate for clinical testing;
- collaborators could independently develop, or develop with third parties, drugs that compete directly or indirectly with our drugs or drug candidates;

- a collaborator with marketing and distribution rights to one or more drugs may not commit sufficient resources to their marketing and distribution;
- collaborators may not properly maintain or defend our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability;
- disputes may arise between us and a collaborator that cause the delay or termination of the research, development or commercialization of our drug candidates, or that result in costly litigation or arbitration that diverts management attention and resources;
- collaborations may be terminated and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable drug candidates; and
- collaborators may own or co-own intellectual property covering our drugs that results from our collaborating with them, and in such cases, we would not have the exclusive right to commercialize such intellectual property.

As a result, we may not be able to realize the benefit of current or future collaborations, strategic partnerships or the license of our third-party drugs if we are unable to successfully integrate such products with our existing operations and company culture, which could delay our timelines or otherwise adversely affect our business. We also cannot be certain that, following a strategic transaction or license, we will achieve the revenue or specific net income that justifies such transaction. If we are unable to reach agreements with suitable collaborators on a timely basis, on acceptable terms, or at all, we may have to curtail the development of a drug candidate, reduce or delay its development program or one or more of our other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase our expenditures and undertake development or commercialization activities at our own expense. If we elect to fund and undertake development or commercialization activities on our own, we may need to obtain additional expertise and additional capital, which may not be available to us on acceptable terms or at all. If we fail to enter into collaborations and do not have sufficient funds or expertise to undertake the necessary development and commercialization activities, we may not be able to further develop our drug candidates or bring them to market and generate product sales revenue, which would harm our business prospects, financial condition and results of operations.

Risks Related to Our Industry, Business and Operations

Our future success depends on our ability to retain the Chairman of our scientific advisory board and our Chief Executive Officer and other key executives and to attract, retain and motivate qualified personnel.

We are highly dependent on Xiaodong Wang, Ph.D., our Founder, Chairman of our scientific advisory board and director; John V. Oyler, our Founder, Chief Executive Officer and Chairman of the Board; and the other principal members of our management and scientific teams and scientific advisory board. Although we have formal employment agreements with each of our executive officers, these agreements do not prevent our executives from terminating their employment with us at any time. We do not maintain "key person" insurance for any of our executives or other employees. The loss of the services of any of these persons could impede the achievement of our research, development and commercialization objectives.

To induce valuable employees to remain at our company, in addition to salary and cash incentives, we have provided share option and restricted share grants that vest over time. The value to employees of these equity grants that vest over time may be significantly affected by movements in the ADS price that are beyond our control, and may at any time be insufficient to counteract more lucrative offers from other companies. Although we have employment agreements with our key employees, any of our employees could leave our employment at any time, with or without notice.

Recruiting and retaining qualified scientific, clinical, manufacturing and sales and marketing personnel or consultants will also be critical to our success. In addition, we rely on consultants and advisors, including scientific and

clinical advisors, to assist us in formulating our discovery and preclinical development and commercialization strategy. The loss of the services of our executive officers or other key employees and consultants could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy.

Furthermore, replacing executive officers and key employees or consultants may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize products. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these key personnel or consultants on acceptable terms given the competition among numerous pharmaceutical and biotechnology companies for similar personnel.

We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us. If we are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

We will need to increase the size and capabilities of our organization, and we may experience difficulties in managing our growth.

In the beginning of 2016, we had 192 full-time employees, and we ended the year with 321 full-time employees. As of September 30, 2017, we had 727 employees, including 129 employees added in connection with our acquisition of Celgene's China operations on August 31, 2017. Most of our employees are full-time. As our development and commercialization plans and strategies evolve, we must add a significant number of additional managerial, operational, sales, marketing, financial and other personnel. Our recent growth and any future growth will impose significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, maintaining, and motivating additional employees;
- managing our internal development efforts effectively, including the clinical and FDA or other comparable regulatory authority review process for our drug candidates, while complying with our contractual obligations to contractors and other third parties; and
- improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to commercialize our drugs and drug candidates will depend, in part, on our ability to effectively manage our recent growth and any future growth, and our management may also have to divert a disproportionate amount of its attention away from day-to-day activities in order to devote a substantial amount of time to managing these growth activities.

We currently rely, and for the foreseeable future will continue to rely, in substantial part on certain independent organizations, advisors and consultants to provide certain services. There can be no assurance that the services of these independent organizations, advisors and consultants will continue to be available to us on a timely basis when needed, or that we can find qualified replacements. In addition, if we are unable to effectively manage our outsourced activities or if the quality or accuracy of the services provided by consultants is compromised for any reason, our clinical trials may be extended, delayed or terminated, and we may not be able to obtain regulatory approval of our drug candidates or otherwise advance our business. There can be no assurance that we will be able to manage our existing consultants or find other competent outside contractors and consultants on economically reasonable terms, if at all.

If we are not able to effectively manage our growth and further expand our organization by hiring new employees and expanding our groups of consultants and contractors as needed, we may not be able to successfully implement the tasks necessary to further develop and commercialize our drugs and drug candidates and, accordingly, may not achieve our research, development and commercialization goals.

Our employees, independent contractors, consultants, commercial partners and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk of fraud, misconduct or other illegal activity by our employees, independent contractors, consultants, commercial partners and vendors. Misconduct by these parties could include intentional, reckless and negligent conduct that fails to: comply with the laws of the FDA and other similar non-U.S. regulatory authorities; provide true, complete and accurate information to the FDA and other similar non-U.S. regulatory authorities; comply with manufacturing standards we have established; comply with healthcare fraud and abuse laws in the United States and similar non-U.S. fraudulent misconduct laws; or report financial information or data accurately or to disclose unauthorized activities to us. If we obtain FDA approval of any of our drug candidates and begin commercializing those drugs in the United States, our potential exposure under U.S. laws will increase significantly and our costs associated with compliance with such laws are also likely to increase. These laws may impact, among other things, our current activities with principal investigators and research patients, as well as future sales, marketing and education programs. In particular, the promotion, sales and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws designed to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, structuring and commission(s), certain customer incentive programs and other business arrangements generally. Activities subject to these laws also involve the improper use of information obtained in the course of patient recruitment for clinical trials, which could result in regulatory sanctions and cause serious harm to our reputation. It is not always possible to identify and deter misconduct by employees and other parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant fines or other sanctions.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

As a public company, we are subject to the periodic reporting requirements of the Exchange Act. Our disclosure controls and procedures are designed to reasonably assure that information required to be disclosed by us in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

****In order to continue to satisfy our obligations as a public company, we will need to hire additional qualified accounting and financial personnel with appropriate public company experience.***

As a public company, we need to establish and maintain effective disclosure and financial controls and make changes in our corporate governance practices. We need to hire additional accounting and financial personnel with appropriate public company experience and technical accounting knowledge, particularly in the area of financial planning and analysis, and it may be difficult to recruit and maintain such personnel. Even if we are able to hire appropriate personnel, our existing operating expenses and operations will be impacted by the direct costs of their employment and the indirect consequences related to the diversion of management resources from product development efforts.

If we engage in acquisitions or strategic partnerships, such as our global collaboration with Celgene and acquisition of Celgene's commercial operations in China, this may increase our capital requirements, dilute our shareholders, cause us to incur debt or assume contingent liabilities, and subject us to other risks.

We may evaluate various acquisitions and strategic partnerships, including licensing or acquiring complementary products, intellectual property rights, technologies or businesses. Any completed, in-process or potential acquisition or strategic partnership, including our acquisition of Celgene's commercial operations in China, the exclusive license from Celgene to us of the right to commercialize certain of Celgene's cancer therapies in China (excluding Hong Kong, Macau and Taiwan) and our global collaboration with Celgene for BGB-A317, which we refer to collectively as the Celgene Transaction, may entail numerous risks, including:

- increased operating expenses and cash requirements;
- the assumption of additional indebtedness or contingent or unforeseen liabilities;
- the issuance of our equity securities;
- assimilation of operations, intellectual property and products of an acquired company, including difficulties associated with integrating new personnel;
- the diversion of our management's attention from our existing product programs and initiatives in pursuing such a strategic merger or acquisition;
- retention of key employees, the loss of key personnel, and uncertainties in our ability to maintain key business relationships;
- risks and uncertainties associated with the other party to such a transaction, including the prospects of that party and their existing drugs or drug candidates and regulatory approvals; and
- our inability to generate revenue from acquired technology and/or products sufficient to meet our objectives in undertaking the acquisition or even to offset the associated acquisition and maintenance costs.

In addition, if we undertake acquisitions, we may issue dilutive securities, assume or incur debt obligations, incur large one-time expenses and acquire intangible assets that could result in significant future amortization expense. For example, in connection with the Celgene Transaction, we issued to an affiliate of Celgene 32,746,416 ordinary shares, or approximately 4.3% of our outstanding shares as of September 30, 2017. Moreover, we may not be able to locate suitable acquisition or license opportunities and this inability could impair our ability to grow or obtain access to technology or products that may be important to the development of our business.

If we fail to comply with the U.S. Foreign Corrupt Practices Act or other anti-bribery laws, our reputation may be harmed and we could be subject to penalties and significant expenses that have a material adverse effect on our business, financial condition and results of operations.

Although currently our primary operating business is in China, we are subject to the Foreign Corrupt Practices Act, or FCPA. The FCPA generally prohibits us from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. We are also subject to the anti-bribery laws of other jurisdictions, particularly China. As our business has expanded, the applicability of the FCPA and other anti-bribery laws to our operations has increased. Our procedures and controls to monitor anti-bribery compliance may fail to protect us from reckless or criminal acts committed by our employees or agents. If we, due to either our own deliberate or inadvertent acts or those of others, fail to comply with applicable anti-bribery laws, our reputation could be harmed and we could incur criminal or civil penalties, other sanctions and/or significant expenses, which could have a material adverse effect on our business, including our financial condition, results of operations, cash flows and prospects.

Any failure to comply with applicable regulations and industry standards or obtain various licenses and permits could harm our reputation and our business, results of operations and prospects.

A number of governmental agencies or industry regulatory bodies in the United States, and in non-U.S. jurisdictions including the PRC and European Union, impose strict rules, regulations and industry standards governing pharmaceutical and biotechnology research and development activities, which apply to us. Our failure to comply with such regulations could result in the termination of ongoing research, administrative penalties imposed by regulatory bodies or the disqualification of data for submission to regulatory authorities. This could harm our reputation, prospects for future work and operating results. For example, if we were to treat research animals inhumanely or in violation of international standards set out by the Association for Assessment and Accreditation of Laboratory Animal Care, it could revoke any such accreditation and the accuracy of our animal research data could be questioned.

If we or our CROs fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on the success of our business.

We and third parties, such as our CROs, are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous and flammable materials, including chemicals and radioactive and biological materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We also store certain low level radioactive waste at our facilities until the materials can be properly disposed of. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties.

Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of or exposure to hazardous materials, this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with our storage, use or disposal of biological, hazardous or radioactive materials.

In addition, we may be required to incur substantial costs to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or production efforts. Failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

If we face allegations of noncompliance with the law and encounter sanctions, our reputation, revenues and liquidity may suffer, and our drugs could be subject to restrictions or withdrawal from the market.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response, and could generate negative publicity. Any failure to comply with ongoing regulatory requirements may significantly and adversely affect our ability to commercialize and generate revenues from our drugs. If regulatory sanctions are applied or if regulatory approval is withdrawn, the value of our company and our operating results will be adversely affected. Additionally, if we are unable to generate revenues from our product sales, our potential for achieving profitability will be diminished and the capital necessary to fund our operations will be increased.

****Our internal computer systems, or those used by our CROs or other contractors or consultants, may fail or suffer security breaches.***

Despite the implementation of security measures, our internal computer systems and those of our future CROs and other contractors and consultants are vulnerable to damage from computer viruses and unauthorized access. Although to our knowledge we have not experienced any such material system failure or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our development programs and our business operations. For example, the loss of clinical trial data from completed or future clinical trials

could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Likewise, we partially rely on our third-party research institution collaborators for research and development of our drug candidates and other third parties for the manufacture of our drugs and drug candidates and to conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development and commercialization of our drugs and drug candidates could be delayed.

Business disruptions could seriously harm our future revenue and financial condition and increase our costs and expenses.

Our operations, and those of our third-party research institution collaborators, CROs, suppliers and other contractors and consultants, could be subject to earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, fires, extreme weather conditions, medical epidemics and other natural or man-made disasters or business interruptions, for which we are predominantly self-insured. In addition, we partially rely on our third-party research institution collaborators for conducting research and development of our drug candidates, and they may be affected by government shutdowns or withdrawn funding. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses. We partially rely on third-party manufacturers to produce and process our drugs and drug candidates. Our ability to obtain supplies of our drugs and drug candidates could be disrupted if the operations of these suppliers are affected by a man-made or natural disaster or other business interruption. A large portion of our operations is located in a single facility in Changping, Beijing, PRC. Damage or extended periods of interruption to our corporate, development or research facilities due to fire, natural disaster, power loss, communications failure, unauthorized entry or other events could cause us to cease or delay development of some or all of our drug candidates. Although we maintain property damage and business interruption insurance coverage on these facilities, our insurance might not cover all losses under such circumstances and our business may be seriously harmed by such delays and interruption.

If product liability lawsuits are brought against us, we may incur substantial liabilities and may be required to limit commercialization of our drugs and drug candidates.

We face an inherent risk of product liability as a result of the commercialization of our drugs in China and the clinical testing of our drug candidates globally. For example, we may be sued if our drugs or drug candidates cause or are perceived to cause injury or are found to be otherwise unsuitable during clinical testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the drug, negligence, strict liability or a breach of warranties. Claims could also be asserted under state consumer protection acts. If we cannot successfully defend ourselves against or obtain indemnification from our collaborators for product liability claims, we may incur substantial liabilities or be required to limit commercialization of our drug candidates and drugs. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for our drugs;
- injury to our reputation;
- withdrawal of clinical trial participants and inability to continue clinical trials;
- initiation of investigations by regulators;
- costs to defend the related litigation;
- a diversion of management’s time and our resources;
- substantial monetary awards to trial participants or patients;

- product recalls, withdrawals or labeling, marketing or promotional restrictions;
- loss of revenue;
- exhaustion of any available insurance and our capital resources;
- the inability to commercialize any drug candidate; and
- a decline in the ADS price.

Our inability to obtain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of drugs we develop or in-license. Although we currently hold $10 million in product liability coverage in the aggregate, the amount of such insurance coverage may not be adequate, we may be unable to maintain such insurance at a reasonable cost or in an amount adequate to satisfy any liability that may arise, or we may not be able to obtain additional or replacement insurance at a reasonable cost, if at all. We may seek to expand our insurance coverage for products to include the sale of commercial products, but we may be unable to obtain commercially reasonable product liability insurance for any products approved for marketing. Our insurance policies may also have various exclusions, and we may be subject to a product liability claim for which we have no coverage. We may have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts. Even if our agreements with any future collaborators entitle us to indemnification against losses, such indemnification may not be available or adequate should any claim arise.

We have limited insurance coverage, and any claims beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources.

We maintain property insurance policies covering physical damage to, or loss of, our buildings and their improvements, equipment, office furniture and inventory. We hold employer's liability insurance generally covering death or work-related injury of employees. We hold public liability insurance covering certain incidents involving third parties that occur on or in the premises of the company. We hold director and officer liability insurance. We do not maintain key-man life insurance on any of our senior management or key personnel, or business interruption insurance. Our insurance coverage may be insufficient to cover any claim for product liability, damage to our fixed assets or employee injuries. Any liability or damage to, or caused by, our facilities or our personnel beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources.

****We are subject to the risks of doing business outside of the United States.***

Because we operate in China and other countries outside of the United States, our business is subject to risks associated with doing business globally. Accordingly, our business and financial results in the future could be adversely affected due to a variety of factors, including:

- changes in a specific country's or region's political and cultural climate or economic condition;
- unexpected changes in laws and regulatory requirements in local jurisdictions;
- difficulty of effective enforcement of contractual provisions in local jurisdictions;
- inadequate intellectual property protection in certain countries;
- enforcement of anti-corruption and anti-bribery laws, such as the Foreign Corrupt Practices Act;

- trade-protection measures, import or export licensing requirements such as Export Administration Regulations promulgated by the United States Department of Commerce and fines, penalties or suspension or revocation of export privileges;

- the effects of applicable local tax regimes and potentially adverse tax consequences; and

- significant adverse changes in local currency exchange rates.

Our business, financial condition and results of operations may be adversely affected by the downturn in the global economy.

The global financial markets experienced significant disruptions in 2008 and the United States, Europe and other economies went into recession. The recovery from the lows of 2008 and 2009 was uneven and it is facing new challenges, including the escalation of the European sovereign debt crisis since 2011 and the United Kingdom's decision to withdraw from the European Union. It is unclear whether the European sovereign debt crisis will be contained and what effects it and the United Kingdom's decision to withdraw from the European Union may have. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies that have been adopted by the central banks and financial authorities of some of the world's leading economies, including China's. Economic conditions in United States and China are sensitive to global economic conditions. Although we are uncertain about the extent to which the global financial market disruption and slowdown of the U.S. or Chinese economy may impact our business in the long term, there is a risk that our business, results of operations and prospects would be materially and adversely affected by the global economic downturn and the slowdown of the U.S. or Chinese economy.

****Recent developments relating to the United Kingdom's referendum vote in favor of withdrawal from the European Union could adversely affect us.***

The United Kingdom held a referendum on June 23, 2016 in which a majority voted for the United Kingdom's withdrawal from the European Union (referred to as "Brexit"). In June 2017, the U.K. government began negotiations to leave the European Union. These negotiations are expected to determine the terms of the United Kingdom's withdrawal from the European Union as well as its relationship with the European Union going forward, including the terms of trade between the United Kingdom and the European Union. The effects of Brexit have been and are expected to continue to be far-reaching. Brexit and the perceptions as to its impact may adversely affect business activity and economic conditions in Europe and globally and could continue to contribute to instability in global financial and foreign exchange markets. Brexit could also have the effect of disrupting the free movement of goods, services and people between the United Kingdom and the European Union; however, the full effects of Brexit are uncertain and will depend on any agreements the United Kingdom may make to retain access to European Union markets.

In addition, we expect that Brexit could lead to legal uncertainty and potentially divergent national laws and regulations as the United Kingdom determines which European Union laws to replicate or replace. If the United Kingdom were to significantly alter its regulations affecting the pharmaceutical industry, we could face significant new costs. It may also be time-consuming and expensive for us to alter our internal operations in order to comply with new regulations. Altered regulations could also add time and expense to the process by which our product candidates receive regulatory approval in the United Kingdom and European Union. Similarly, it is unclear at this time what Brexit's impact will have on our intellectual property rights and the process for obtaining, maintaining and defending such rights. It is possible that certain intellectual property rights, such as trademarks, granted by the European Union will cease being enforceable in the United Kingdom absent special arrangements to the contrary, and we are required to refile our trademarks and other intellectual property applications domestically in the United Kingdom. With regard to existing patent rights, the effect of Brexit should be minimal considering enforceable patent rights are specific to the United Kingdom, whether arising out of the European Patent Office or directly through the United Kingdom patent office.

Lastly, as a result of Brexit, other European countries may seek to conduct referenda with respect to their continuing membership in the European Union. Given these possibilities and others we may not anticipate, as well as the lack of comparable precedent, the full extent to which our business, results of operations and financial condition could be adversely affected by Brexit is uncertain.

We manufacture and intend to continue to manufacture at least a portion of our drug candidates ourselves. Delays in completing and receiving regulatory approvals for our manufacturing facility could delay our development plans and thereby limit our revenues and growth.

We currently lease an approximately 140 square meter manufacturing facility in Beijing, PRC, which produces and supplies preclinical and clinical trial materials for some of our small molecule drug candidates. In addition, to increase our manufacturing capabilities, we lease an approximately 11,000 square meter space and have built a manufacturing facility in Suzhou, China, where we intend to produce drug candidates for clinical or, in the future, commercial use. This facility consists of one oral-solid-dosage production line for small molecule drug products and one pilot plant for monoclonal antibody drug substances. This new manufacturing facility was completed in 2017. In addition, BeiGene Biologics is building a biologics manufacturing facility in Guangzhou through a wholly-owned subsidiary, BeiGene Guangzhou Factory. These projects may encounter unanticipated delays and cost more than expected due to a number of factors, including regulatory requirements. If construction or regulatory evaluation and/or approval of our new facility is delayed, we may not be able to manufacture sufficient quantities of our drug candidates, which would limit our development activities and our opportunities for growth. Cost overruns associated with constructing or maintaining our facilities could require us to raise additional funds from other sources.

In addition to the similar manufacturing risks described in "—Risks Related to Our Reliance on Third Parties," our manufacturing facilities will be subject to ongoing, periodic inspection by the FDA, CFDA, EMA or other comparable regulatory agencies to ensure compliance with cGMP. Our failure to follow and document our adherence to such cGMP regulations or other regulatory requirements may lead to significant delays in the availability of products for clinical or, in the future, commercial use, may result in the termination of or a hold on a clinical trial, or may delay or prevent filing or approval of marketing applications for our drugs. We also may encounter problems with the following:

- achieving adequate or clinical-grade materials that meet FDA, CFDA, EMA or other comparable regulatory agency standards or specifications with consistent and acceptable production yield and costs;
- shortages of qualified personnel, raw materials or key contractors; and
- ongoing compliance with cGMP regulations and other requirements of the FDA, CFDA, EMA or other comparable regulatory agencies.

Failure to comply with applicable regulations could also result in sanctions being imposed on us, including fines, injunctions, civil penalties, a requirement to suspend or put on hold one or more of our clinical trials, failure of regulatory authorities to grant marketing approval of our drug candidates, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of drug candidates or drugs, operating restrictions and criminal prosecutions, any of which could harm our business.

Developing advanced manufacturing techniques and process controls is required to fully utilize our facilities. Advances in manufacturing techniques may render our facilities and equipment inadequate or obsolete.

To produce our drugs in the quantities that we believe will be required to meet anticipated market demand of any of our drug candidates if approved, we will need to increase, or "scale up," the production process by a significant factor over the initial level of production. If we are unable to do so, are delayed, or if the cost of this scale up is not economically feasible for us or we cannot find a third-party supplier, we may not be able to produce our drugs in a sufficient quantity to meet future demand.

If our manufacturing facilities, including our Suzhou manufacturing facility once completed, are damaged or destroyed or production at such facilities is otherwise interrupted, our business and prospects would be negatively affected.

In addition to the similar manufacturing risks described in "—Risks Related to Our Reliance on Third Parties," if our manufacturing facilities or the equipment in them is damaged or destroyed, we may not be able to quickly or inexpensively replace our manufacturing capacity or replace it at all. In the event of a temporary or protracted loss of the

facilities or equipment, we might not be able to transfer manufacturing to a third party. Even if we could transfer manufacturing to a third party, the shift would likely be expensive and time-consuming, particularly since the new facility would need to comply with the necessary regulatory requirements and we would need FDA, CFDA, EMA or and other comparable regulatory agency approval before selling any drugs manufactured at that facility. Such an event could delay our clinical trials or reduce our product sales if and when we are able to successfully commercialize one or more of our drug candidates.

Any interruption in manufacturing operations at our manufacturing facilities could result in our inability to satisfy the demands of our clinical trials or commercialization. A number of factors could cause interruptions, including:

- equipment malfunctions or failures;
- technology malfunctions;
- work stoppages;
- damage to or destruction of either facility due to natural disasters;
- regional power shortages;
- product tampering; or
- terrorist activities.

Any disruption that impedes our ability to manufacture our drug candidates in a timely manner could materially harm our business, financial condition and operating results.

Currently, we maintain insurance coverage against damage to our property and equipment in the amount of up to RMB 100 million. However, our insurance coverage may not reimburse us, or may not be sufficient to reimburse us, for any expenses or losses we may suffer. We may be unable to meet our requirements for our drug candidates if there were a catastrophic event or failure of our manufacturing facilities or processes.

The Celgene Transaction could disrupt our business and harm our financial condition if we are not able to successfully integrate Celgene's commercial business in China into ours, and the expected benefits of the acquisition may not materialize.

On August 31, 2017, we closed the Celgene Transaction pursuant to which we were granted the right to exclusively distribute and promote three of Celgene's drugs and one of Celgene's drug candidates in China, excluding Hong Kong, Macau and Taiwan, and acquired Celgene's commercial operations in China. We also have specified rights to future oncology drugs that Celgene may seek to commercialize in China .

The Celgene Transaction involves numerous risks, including problems combining the purchased operations of Celgene's commercial operations in China with our own operations and unanticipated costs and diversion of our management's attention from our drug discovery and development business. There can be no assurance that we will be able to successfully manage and integrate Celgene's commercial operations in China and its personnel into our business, which could disrupt our business and harm our financial results.

Moreover, we may not achieve the revenue and cost synergies expected from the Celgene Transaction. These synergies are inherently uncertain, and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are difficult to predict and are beyond our control. If we achieve the expected benefits, they may not be achieved within the anticipated time frame. Also, the synergies from the Celgene Transaction may be offset by costs incurred in integrating Celgene's commercial operations in China, increases in other expenses, operating

losses or problems in the business unrelated to the Celgene Transaction. As a result, there can be no assurance that such synergies will be achieved.

Risks Related to Our Doing Business in the PRC

****The pharmaceutical industry in China is highly regulated and such regulations are subject to change which may affect approval and commercialization of our drugs.***

Our research operations and manufacturing facilities are in China. The pharmaceutical industry in China is subject to comprehensive government regulation and supervision, encompassing the approval, registration, manufacturing, packaging, licensing and marketing of new drugs. See the section of our 2016 Annual Report titled "Item 1—Business—Regulatory Framework and Structural Advantages of Being a China-Based Research and Development Organization" for a discussion of regulatory requirements that are applicable to our current and planned business activities in China. In recent years, the regulatory framework in China regarding the pharmaceutical industry has undergone significant changes, and we expect that it will continue to undergo significant changes. Any such changes or amendments may result in increased compliance costs on our business or cause delays in or prevent the successful development or commercialization of our drug candidates or drugs in China and reduce the current benefits we believe are available to us from developing and manufacturing drugs in China. Chinese authorities have become increasingly vigilant in enforcing laws in the pharmaceutical industry and any failure by us or our partners to maintain compliance with applicable laws and regulations or obtain and maintain required licenses and permits may result in the suspension or termination of our business activities in China. We believe our strategy and approach is aligned with the Chinese government's policies, but we cannot ensure that our strategy and approach will continue to be aligned.

Changes in the political and economic policies of the PRC government may materially and adversely affect our business, financial condition and results of operations and may result in our inability to sustain our growth and expansion strategies.

A significant portion of our operations are in the PRC. Accordingly, our financial condition and results of operations are affected to a large extent by economic, political and legal developments in the PRC.

The PRC economy differs from the economies of most developed countries in many respects, including the extent of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. Although the PRC government has implemented measures emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets, and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in China is still owned by the government. In addition, the PRC government continues to play a significant role in regulating industry development by imposing industrial policies. The PRC government also exercises significant control over China's economic growth by allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policy, regulating financial services and institutions and providing preferential treatment to particular industries or companies.

While the PRC economy has experienced significant growth in the past three decades, growth has been uneven, both geographically and among various sectors of the economy. The PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall PRC economy, but may also have a negative effect on us. Our financial condition and results of operation could be materially and adversely affected by government control over capital investments or changes in tax regulations that are applicable to us and consequently have a material adverse effect on our businesses, financial condition and results of operations.

There are uncertainties regarding the interpretation and enforcement of PRC laws, rules and regulations.

A large portion of our operations are conducted in the PRC through our PRC subsidiaries, and are governed by PRC laws, rules and regulations. Our PRC subsidiaries are subject to laws, rules and regulations applicable to foreign investment in China. The PRC legal system is a civil law system based on written statutes. Unlike the common law system, prior court decisions may be cited for reference but have limited precedential value.

In 1979, the PRC government began to promulgate a comprehensive system of laws, rules and regulations governing economic matters in general. The overall effect of legislation over the past three decades has significantly enhanced the protections afforded to various forms of foreign investment in China. However, China has not developed a fully integrated legal system, and recently enacted laws, rules and regulations may not sufficiently cover all aspects of economic activities in China or may be subject to significant degrees of interpretation by PRC regulatory agencies. In particular, because these laws, rules and regulations are relatively new, and because of the limited number of published decisions and the nonbinding nature of such decisions, and because the laws, rules and regulations often give the relevant regulator significant discretion in how to enforce them, the interpretation and enforcement of these laws, rules and regulations involve uncertainties and can be inconsistent and unpredictable. In addition, the PRC legal system is based in part on government policies and internal rules, some of which are not published on a timely basis or at all, and which may have a retroactive effect. As a result, we may not be aware of our violation of these policies and rules until after the occurrence of the violation.

Any administrative and court proceedings in China may be protracted, resulting in substantial costs and diversion of resources and management attention. Since PRC administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we enjoy than in more developed legal systems. These uncertainties may impede our ability to enforce the contracts we have entered into and could materially and adversely affect our business, financial condition and results of operations.

Substantial uncertainties exist with respect to the enactment timetable, the final version, interpretation and implementation of draft PRC Foreign Investment Law and how it may impact the viability of our current corporate governance.

The Ministry of Commerce published a discussion draft of the proposed Foreign Investment Law in January 2015 aiming to, upon its enactment, replace the trio of existing laws regulating foreign investment in China, namely, the Sino-foreign Equity Joint Venture Enterprise Law, the Sino-foreign Cooperative Joint Venture Enterprise Law and the Wholly Foreign-invested Enterprise Law, together with their implementation rules and ancillary regulations. The draft Foreign Investment Law embodies an expected PRC regulatory trend to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate legal requirements for both foreign and domestic investments. The Ministry of Commerce has solicited comments on this draft and substantial uncertainties exist with respect to its enactment timetable, the final version, interpretation and implementation. The draft Foreign Investment Law, if enacted as proposed, may materially impact the viability of our current corporate governance if we, in the future, have PRC shareholders.

Among other things, the draft Foreign Investment Law expands the definition of foreign investment and introduces the principle of "actual control" in determining whether a company is considered a foreign-invested enterprise, or an FIE. The draft Foreign Investment Law specifically provides that entities established in China but "controlled" by foreign investors will be treated as FIEs, whereas an entity set up in a foreign jurisdiction would nonetheless be, upon market entry clearance by the Ministry of Commerce or its local counterparts, treated as a PRC domestic investor provided that the entity is "controlled" by PRC entities and/or citizens. In this connection, "control" is broadly defined in the draft law to cover the following summarized categories: (1) holding 50% of more of the shares, equity or voting rights of the subject entity; (2) holding less than 50% of the voting rights of the subject entity but having the power to secure at least 50% of the seats on the board or other equivalent decision making bodies, or having the voting power to exert material influence on the board, the shareholders' meeting or other equivalent decision making bodies; or (3) having the power to exert decisive influence, via contractual or trust arrangements, over the subject entity's operations, financial matters or other key aspects of business operations. Once an entity is determined to be an FIE, it will be subject to the foreign investment restrictions or prohibitions, if the FIE is engaged in the industry listed in the "negative list" which will be separately issued by the Chinese State Council later. Unless the underlying business of the FIE falls within the negative list, which calls for market entry clearance by the Ministry of Commerce or its local counterparts, prior approval from the government authorities as mandated by the existing foreign investment legal regime would no longer be required for establishment of the FIE.

The draft Foreign Investment Law, if enacted as proposed, may also materially impact our corporate governance practice and increase our compliance costs. For instance, the draft Foreign Investment Law imposes stringent ad hoc and periodic information reporting requirements on foreign investors and the applicable FIEs. Aside from investment implementation report and investment amendment report that are required at each investment and alteration of investment specifics, an annual report is mandatory, and large foreign investors meeting certain criteria are required to report on a quarterly basis. Any company found to be non-compliant with these information reporting obligations may potentially be subject to fines and/or administrative or criminal liabilities, and the persons directly responsible may be subject to criminal liabilities.

PRC regulations establish complex procedures for some acquisitions of Chinese companies by foreign investors, which could make it more difficult for us to pursue growth through acquisitions in China.

PRC regulations and rules concerning mergers and acquisitions including the Regulations on Mergers and Acquisitions of Domestic Companies by Foreign Investors, or the M&A Rules, and other recently adopted regulations and rules with respect to mergers and acquisitions established additional procedures and requirements that could make merger and acquisition activities by foreign investors more time consuming and complex. For example, the M&A Rules require that the MOFCOM be notified in advance of any change-of-control transaction in which a foreign investor takes control of a PRC domestic enterprise, if (i) any important industry is concerned, (ii) such transaction involves factors that have or may have impact on the national economic security, or (iii) such transaction will lead to a change in control of a domestic enterprise which holds a famous trademark or PRC time-honored brand. Moreover, according to the Anti-Monopoly Law of PRC promulgated on August 30, 2007 and the Provisions on Thresholds for Prior Notification of Concentrations of Undertakings, or the Prior Notification Rules issued by the State Council in August 2008, the concentration of business undertakings by way of mergers, acquisitions or contractual arrangements that allow one market player to take control of or to exert decisive impact on another market player must also be notified in advance to the MOFCOM when the threshold is crossed and such concentration shall not be implemented without the clearance of prior notification. In addition, the Regulations on Implementation of Security Review System for the Merger and Acquisition of Domestic Enterprise by Foreign Lenders, or the Security Review Rules issued by the MOFCOM that became effective in September 2011 specify that mergers and acquisitions by foreign investors that raise "national defense and security" concerns and mergers and acquisitions through which foreign investors may acquire the de facto control over domestic enterprises that raise "national security" concerns are subject to strict review by the MOFCOM, and the rules prohibit any activities attempting to bypass a security review by structuring the transaction through, among other things, trusts, entrustment or contractual control arrangements. In the future, we may grow our business by acquiring complementary businesses. Complying with the requirements of the above-mentioned regulations and other relevant rules to complete such transactions could be time consuming, and any required approval processes, including obtaining approval from the MOFCOM or its local counterparts may delay or inhibit our ability to complete such transactions. It is unclear whether our business would be deemed to be in an industry that raises "national defense and security" or "national security" concerns. However, the MOFCOM or other government agencies may publish explanations in the future determining that our business is in an industry subject to the security review, in which case our future acquisitions in the PRC, including those by way of entering into contractual control arrangements with target entities, may be closely scrutinized or prohibited. Our ability to expand our business or maintain or expand our market share through future acquisitions would as such be materially and adversely affected.

PRC regulations relating to investments in offshore companies by PRC residents may subject our future PRC-resident beneficial owners or our PRC subsidiaries to liability or penalties, limit our ability to inject capital into our PRC subsidiaries or limit our PRC subsidiaries' ability to increase their registered capital or distribute profits.

SAFE promulgated the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment through Special Purpose Vehicles, or SAFE Circular 37, on July 4, 2014, which replaced the former circular commonly known as "SAFE Circular 75" promulgated by SAFE on October 21, 2005. SAFE Circular 37 requires PRC residents to register with local branches of SAFE in connection with their direct establishment or indirect control of an offshore entity, for the purpose of overseas investment and financing, with such PRC residents' legally owned assets or equity interests in domestic enterprises or offshore assets or interests, referred to in SAFE Circular 37 as a "special purpose vehicle." SAFE Circular 37 further requires amendment to the registration in the event of any significant changes with respect to the special purpose vehicle, such as increase or

decrease of capital contributed by PRC individuals, share transfer or exchange, merger, division or other material event. In the event that a PRC shareholder holding interests in a special purpose vehicle fails to fulfill the required SAFE registration, the PRC subsidiaries of that special purpose vehicle may be prohibited from making profit distributions to the offshore parent and from carrying out subsequent cross-border foreign exchange activities, and the special purpose vehicle may be restricted in its ability to contribute additional capital into its PRC subsidiary. Moreover, failure to comply with the various SAFE registration requirements described above could result in liability under PRC law for evasion of foreign exchange controls.

We believe that four of our shareholders, each of whom owns our ordinary shares as a result of exercising share options, are PRC residents under SAFE Circular 37. These four shareholders have undertaken to (i) apply to register with local SAFE branch or its delegated commercial bank as soon as possible after exercising their options, and (ii) indemnify and hold harmless us and our subsidiaries against any loss suffered arising from their failure to complete the registration. We do not have control over the four shareholders and our other beneficial owners and cannot assure you that all of our PRC-resident beneficial owners have complied with, and will in the future comply with, SAFE Circular 37 and subsequent implementation rules. The failure of PRC-resident beneficial owners to register or amend their SAFE registrations in a timely manner pursuant to SAFE Circular 37 and subsequent implementation rules, or the failure of future PRC-resident beneficial owners of our company to comply with the registration procedures set forth in SAFE Circular 37 and subsequent implementation rules, may subject such beneficial owners or our PRC subsidiaries to fines and legal sanctions. Furthermore, SAFE Circular 37 is unclear how this regulation, and any future regulation concerning offshore or cross-border transactions, will be interpreted, amended and implemented by the relevant PRC government authorities, and we cannot predict how these regulations will affect our business operations or future strategy. Failure to register or comply with relevant requirements may also limit our ability to contribute additional capital to our PRC subsidiaries and limit our PRC subsidiaries' ability to distribute dividends to us. These risks could in the future have a material adverse effect on our business, financial condition and results of operations.

Any failure to comply with PRC regulations regarding our employee equity incentive plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.

We and our directors, executive officers and other employees who are PRC residents have participated in our employee equity incentive plans. Upon completion of our initial public offering, we became an overseas listed company. Pursuant to SAFE Circular 37, PRC residents who participate in share incentive plans in overseas non-publicly-listed companies may submit applications to SAFE or its local branches for the foreign exchange registration with respect to offshore special purpose companies. Our directors, executive officers and other employees who are PRC citizens or who have resided in the PRC for a continuous period of not less than one year and who have been granted restricted shares or options may follow SAFE Circular 37 to apply for the foreign exchange registration before our company became an overseas listed company. However, in practice, different local SAFE branches may have different views and procedures on the application and implementation of SAFE regulations, and there remains uncertainty with respect to its implementation. If we or our directors, executive officers or other employees who are PRC citizens or who have resided in the PRC for a continuous period of not less than one year and who have been granted restricted shares or options, including but not limited to the four shareholders referred to above, fail to register the employee equity incentive plans or their exercise of options, we and such employees may be subject to (i) legal or administrative sanctions imposed by the SAFE or other PRC authorities, including fines; (ii) to restrictions on our cross-border investment activities; (iii) to limits on the ability of our wholly owned subsidiaries in China to distribute dividends or the proceeds from any reduction in capital, share transfer or liquidation to us; and (iv) to prohibitions on our ability to inject additional capital into these subsidiaries. Moreover, failure to comply with the various foreign exchange registration requirements described above could result in liability under PRC law for circumventing applicable foreign exchange restrictions. As a result, our business operations and our ability to distribute profits to you could be materially and adversely affected. Upon completion of our initial public offering, we became an overseas listed company, and therefore, we and our directors, executive officers and other employees who are PRC citizens or who have resided in the PRC for a continuous period of not less than one year and who have been granted restricted shares or options are subject to the Notice on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company, issued by SAFE in February 2012, according to which, employees, directors, supervisors and other management members participating in any share incentive plan of an overseas publicly listed company who are PRC citizens or who are non-PRC citizens residing in China for a continuous period of not less than

one year, subject to limited exceptions, are required to register with SAFE through a domestic qualified agent, which could be a PRC subsidiary of such overseas listed company, and complete certain other procedures. Failure to complete the SAFE registrations may subject them to fines and legal sanctions and may also limit our ability to make payments under our equity incentive plans or receive dividends or sales proceeds related thereto, or our ability to contribute additional capital into our wholly-foreign owned enterprises in China and limit our wholly-foreign owned enterprises' ability to distribute dividends to us. We also face regulatory uncertainties that could restrict our ability to adopt additional equity incentive plans for our directors and employees under PRC law.

In addition, the SAT has issued circulars concerning employee share options or restricted shares. Under these circulars, employees working in the PRC who exercise share options, or whose restricted shares vest, will be subject to PRC individual income tax. The PRC subsidiaries of an overseas listed company have obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold individual income taxes of those employees related to their share options or restricted shares. If the employees fail to pay, or the PRC subsidiaries fail to withhold applicable income taxes, the PRC subsidiaries may face sanctions imposed by the tax authorities or other PRC government authorities.

In the future, we may rely to some extent on dividends and other distributions on equity from our principal operating subsidiaries to fund offshore cash and financing requirements.

We are a holding company, incorporated in the Cayman Islands, and may in the future rely to some extent on dividends and other distributions on equity from our principal operating subsidiaries for our offshore cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to our shareholders, fund inter-company loans, service any debt we may incur outside China and pay our expenses. The laws, rules and regulations applicable to our PRC subsidiaries and certain other subsidiaries permit payments of dividends only out of their retained earnings, if any, determined in accordance with applicable accounting standards and regulations.

Under PRC laws, rules and regulations, each of our subsidiaries incorporated in China is required to set aside a portion of its net income each year to fund certain statutory reserves. These reserves, together with the registered equity, are not distributable as cash dividends. As a result of these laws, rules and regulations, our subsidiaries incorporated in China are restricted in their ability to transfer a portion of their respective net assets to their shareholders as dividends. In addition, registered share capital and capital reserve accounts are also restricted from withdrawal in the PRC, up to the amount of net assets held in each operating subsidiary. As of September 30, 2017, these restricted assets totaled RMB166.6 million.

The Enterprise Income Tax Law, or the EIT Law and its implementation rules, both of which became effective on January 1, 2008, provide that China-sourced income of foreign enterprises, such as dividends paid by a PRC subsidiary to its equity holders that are non-PRC resident enterprises, will normally be subject to PRC withholding tax at a rate of 10%, unless any such foreign investor's jurisdiction of incorporation has a tax treaty with China that provides for a different withholding arrangement. As a result, dividends paid to us by our PRC subsidiaries are expected to be subject to PRC withholding tax at a rate of 10%.

Pursuant to the Arrangement between Mainland China and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income, or the "Hong Kong Tax Treaty," BeiGene HK, the shareholder of our PRC subsidiaries, may be subject to a withholding tax at a rate of 5% on dividends received from our PRC operating subsidiaries as a Hong Kong tax resident. Pursuant to the Hong Kong Tax Treaty, subject to certain conditions, this reduced withholding tax rate will be available for dividends from PRC entities provided that the recipient can demonstrate it is a Hong Kong tax resident and it is the beneficial owner of the dividends. BeiGene HK currently does not hold a Hong Kong tax resident certificate from the Inland Revenue Department of Hong Kong and there is no assurance that the reduced withholding tax rate will be available.

Furthermore, if our subsidiaries in China incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other payments to us. Any limitation on the ability of our subsidiaries to distribute dividends or other payments to us in the future could materially and adversely limit our ability

to make investments or acquisitions that could be beneficial to our businesses, pay dividends, or otherwise fund and conduct our business.

We may be treated as a resident enterprise for PRC tax purposes under the EIT Law and be subject to PRC tax on our worldwide taxable income at a rate of 25%.

Under the EIT Law an enterprise established outside China with "de facto management bodies" within China is considered a "resident enterprise," meaning that it is treated in a manner similar to a Chinese enterprise for PRC enterprise income tax, or EIT, purposes. The implementing rules of the EIT Law define "de facto management bodies" as "management bodies that exercise substantial and overall management and control over the production and operations, personnel, accounting, and properties" of the enterprise. In addition, the Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Tax Resident Enterprises on the Basis of De Facto Management Bodies, or Circular 82, specifies that certain Chinese-controlled offshore incorporated enterprises, defined as enterprises incorporated under the laws of foreign countries or territories and that have PRC enterprises or enterprise groups as their primary controlling shareholders, will be classified as resident enterprises if all of the following are located or resident in China: (i) senior management personnel and departments that are responsible for daily production, operation and management; (ii) financial and personnel decision-making bodies; (iii) key properties, accounting books, company seal, and minutes of board meetings and shareholders' meetings; and (iv) half or more of senior management or directors having voting rights. On July 27, 2011, the SAT issued Administrative Measures of Enterprise Income Tax of Chinese-Controlled Offshore Incorporated Resident Enterprises (Trial), or Bulletin 45, which became effective on September 1, 2011 and was most recently amended on October 1, 2016, to provide further guidance on the implementation of Circular 82. Bulletin 45 clarifies certain issues related to determining PRC resident enterprise status, including which competent tax authorities are responsible for determining offshore incorporated PRC resident enterprise status, as well as post-determination administration. In 2014, the SAT, released the Announcement of the SAT on Issues Concerning the Recognition of Chinese-Controlled Enterprises Incorporated Overseas as Resident Enterprises on the Basis of Their Actual Management Bodies and supplemented some provisions on the administrative procedures for the recognition of resident enterprise, while the standards used to classify resident enterprises in Circular 82 remain unchanged.

Although BeiGene, Ltd. does not have a PRC enterprise or enterprise group as our primary controlling shareholder and is therefore not a Chinese-controlled offshore incorporated enterprise within the meaning of Circular 82, in the absence of guidance specifically applicable to us, we have applied the guidance set forth in Circular 82 to evaluate the tax residence status of BeiGene, Ltd. and its subsidiaries organized outside the PRC.

We are not aware of any offshore holding company with a corporate structure similar to ours that has been deemed a PRC "resident enterprise" by the PRC tax authorities. Accordingly, we do not believe our company or any of our overseas subsidiaries should be treated as a PRC resident enterprise.

If the PRC tax authorities determine that our Cayman Islands holding company is a resident enterprise for PRC EIT purposes, a number of unfavorable PRC tax consequences could follow and we may be subject to EIT at a rate of 25% on our worldwide taxable income, as well as to PRC EIT reporting obligations. In that case, it is possible that dividends paid to us by our PRC subsidiaries will not be subject to PRC withholding tax.

Dividends payable to our foreign investors may be subject to PRC withholding tax and gains on the sale of the ADSs or ordinary shares by our foreign investors may be subject to PRC tax.

If we are deemed a PRC resident enterprise as described under "—We may be treated as a resident enterprise for PRC tax purposes under the EIT Law and be subject to PRC tax on our worldwide taxable income at a rate of 25%," dividends paid on our ordinary shares or ADSs, and any gain realized from the transfer of our ordinary shares or ADSs, may be treated as income derived from sources within the PRC. As a result, dividends paid to non-PRC resident enterprise ADS holders or shareholders may be subject to PRC withholding tax at a rate of 10% (or 20% in the case of non-PRC individual ADS holders or shareholders) and gains realized by non-PRC resident enterprises ADS holders or shareholders from the transfer of our ordinary shares or ADSs may be subject to PRC tax at a rate of 10% (or 20% in the case of non-PRC individual ADS holders or shareholders). It is unclear whether if we or any of our subsidiaries

established outside China are considered a PRC resident enterprise, holders of the ADSs or ordinary shares would be able to claim the benefit of income tax treaties or agreements entered into between China and other countries or areas. If dividends payable to our non-PRC investors, or gains from the transfer of the ADSs or ordinary shares by such investors are subject to PRC tax, the value of your investment in the ADSs or ordinary shares may decline significantly.

We and our shareholders face uncertainties with respect to indirect transfers of equity interests in PRC resident enterprises or other assets attributed to a PRC establishment of a non-PRC company, or other assets attributable to a PRC establishment of a non-PRC company.

On February 3, 2015, the SAT issued the Bulletin on Issues of Enterprise Income Tax and Indirect Transfers of Assets by Non-PRC Resident Enterprises, or Bulletin 7, which replaced or supplemented certain previous rules under the Notice on Strengthening Administration of Enterprise Income Tax for Share Transfers by Non-PRC Resident Enterprises, or Circular 698, issued by the SAT, on December 10, 2009. Pursuant to this Bulletin, an "indirect transfer" of "PRC taxable assets," including equity interests in a PRC resident enterprise, by non-PRC resident enterprises may be recharacterized and treated as a direct transfer of PRC taxable assets, if such arrangement does not have a reasonable commercial purpose and was established for the purpose of avoiding payment of PRC enterprise income tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax. When determining whether there is a "reasonable commercial purpose" of the transaction arrangement, factors to be taken into consideration include: whether the main value of the equity interest of the relevant offshore enterprise derives from PRC taxable assets; whether the assets of the relevant offshore enterprise mainly consists of direct or indirect investment in China or if its income mainly derives from China; whether the offshore enterprise and its subsidiaries directly or indirectly holding PRC taxable assets have real commercial nature which is evidenced by their actual function and risk exposure; the duration of existence of the business model and organizational structure; the replicability of the transaction by direct transfer of PRC taxable assets; and the tax situation of such indirect transfer and applicable tax treaties or similar arrangements. In respect of an indirect offshore transfer of assets of a PRC establishment, the resulting gain is to be reported on with the enterprise income tax filing of the PRC establishment or place of business being transferred, and would consequently be subject to PRC enterprise income tax at a rate of 25%. Where the underlying transfer relates to equity investments in a PRC resident enterprise, which is not related to a PRC establishment or place of business of a non-resident enterprise, a PRC enterprise income tax at the rate of 10% would apply, subject to available preferential tax treatment under applicable tax treaties or similar arrangements. Late payment of applicable tax will subject the transferor to default interest. Gains derived from the sale of shares by investors through a public stock exchange are not subject to the PRC enterprise income tax pursuant to Bulletin 7 where such shares were acquired in a transaction through a public stock exchange. As such, the sale of the ADSs or ordinary shares on a public stock exchange will not be subject to PRC enterprise income tax pursuant to Bulletin 7. However, the sale of our ordinary shares or ADSs by a non-PRC resident enterprise outside a public stock exchange may be subject to PRC enterprise income tax under Bulletin 7.

There are uncertainties as to the application of Bulletin 7. Bulletin 7 may be determined by the tax authorities to be applicable to sale of the shares of our offshore subsidiaries or investments where PRC taxable assets are involved. The transferors and transferees may be subject to the tax filing and withholding or tax payment obligation, while our PRC subsidiaries may be requested to assist in the filing. Furthermore, we, our non-resident enterprises and PRC subsidiaries may be required to spend valuable resources to comply with Bulletin 7 or to establish that we and our non-resident enterprises should not be taxed under Bulletin 7, for our previous and future restructuring or disposal of shares of our offshore subsidiaries, which may have a material adverse effect on our financial condition and results of operations.

The PRC tax authorities have the discretion under Bulletin 7 to make adjustments to the taxable capital gains based on the difference between the fair value of the taxable assets transferred and the cost of investment. If the PRC tax authorities make adjustments to the taxable income of the transactions under Circular 698/Bulletin 7, our income tax costs associated with such potential acquisitions or disposals will increase, which may have an adverse effect on our financial condition and results of operations.

Restrictions on currency exchange may limit our ability to utilize our revenue effectively.

The PRC government imposes controls on the convertibility of RMB into foreign currencies and, in certain cases, the remittance of currency out of China. A portion of our revenue may in the future be denominated in RMB. Shortages

in availability of foreign currency may then restrict the ability of our PRC subsidiaries to remit sufficient foreign currency to our offshore entities for our offshore entities to pay dividends or make other payments or otherwise to satisfy our foreign currency denominated obligations. The RMB is currently convertible under the "current account," which includes dividends, trade and service-related foreign exchange transactions, but not under the "capital account," which includes foreign direct investment and loans, including loans we may secure from our onshore subsidiaries. Currently, our PRC subsidiaries, which are wholly-foreign owned enterprises, may purchase foreign currency for settlement of "current account transactions," including payment of dividends to us, without the approval of SAFE by complying with certain procedural requirements. However, the relevant PRC governmental authorities may limit or eliminate our ability to purchase foreign currencies in the future for current account transactions. Since a portion of our future revenue may be denominated in RMB, any existing and future restrictions on currency exchange may limit our ability to utilize revenue generated in RMB to fund our business activities outside of the PRC or pay dividends in foreign currencies to our shareholders, including holders of the ADSs. Foreign exchange transactions under the capital account remain subject to limitations and require approvals from, or registration with, SAFE and other relevant PRC governmental authorities. This could affect our ability to obtain foreign currency through debt or equity financing for our subsidiaries.

The audit report included in our Annual Report is prepared by auditors who are not inspected fully by the Public Company Accounting Oversight Board, or the PCAOB, and, as such, our shareholders are deprived of the benefits of such inspection.

As an auditor of companies that are publicly traded in the United States and a firm registered with the PCAOB, Ernst & Young Hua Ming LLP is required under the laws of the United States to undergo regular inspections by the PCAOB. However, because we have substantial operations within the PRC, a jurisdiction where the PCAOB is currently unable to conduct inspections without the approval of the Chinese government authorities, our auditor and its audit work is not currently inspected fully by the PCAOB.

Inspections of other auditors conducted by the PCAOB outside China have at times identified deficiencies in those auditors' audit procedures and quality control procedures, which may be addressed as part of the inspection process to improve future audit quality. The lack of PCAOB inspections of audit work undertaken in China prevents the PCAOB from regularly evaluating our auditor's audits and its quality control procedures. As a result, shareholders may be deprived of the benefits of PCAOB inspections, and may lose confidence in our reported financial information and procedures and the quality of our financial statements.

Proceedings instituted by the SEC against five PRC-based accounting firms, including our independent registered public accounting firm, could result in our financial statements being determined to not be in compliance with the requirements of the Exchange Act.

In December 2012, the SEC brought administrative proceedings against five accounting firms in China, including our independent registered public accounting firm, alleging that they had refused to produce audit work papers and other documents related to certain other PRC-based companies under investigation by the SEC. On January 22, 2014, an initial administrative law decision was issued, censuring these accounting firms and suspending four of these firms from practicing before the SEC for a period of six months. The decision is neither final nor legally effective unless and until reviewed and approved by the SEC. On February 12, 2014, four of these PRC-based accounting firms appealed to the SEC against this decision. In February 2015, each of the four PRC-based accounting firms agreed to a censure and to pay a fine to the SEC to settle the dispute and avoid suspension of their ability to practice before the SEC. These firms' ability to continue to serve all their respective clients is not affected by the settlement. The settlement requires these firms to follow detailed procedures to seek to provide the SEC with access to Chinese firms' audit documents via the China Securities Regulatory Commission. If these firms do not follow these procedures, the SEC could impose penalties such as suspensions, or it could restart the administrative proceedings. The settlement did not require these firms to admit to any violation of law and preserves these firms' legal defenses in the event the administrative proceeding is restarted. In the event that the SEC restarts the administrative proceedings, depending upon the final outcome, listed companies in the United States with major PRC operations may find it difficult or impossible to retain auditors in respect of their operations in the PRC, which could result in financial statements being determined to not be in compliance with the requirements of the Exchange Act, including possible delisting. Moreover, any negative news about the proceedings

against these audit firms may cause investor uncertainty regarding PRC-based, United States-listed companies and the market price of the ADSs may be adversely affected.

If our independent registered public accounting firm was denied, even temporarily, the ability to practice before the SEC and we were unable to timely find another registered public accounting firm to audit and issue an opinion on our financial statements, our financial statements could be determined not to be in compliance with the requirements of the Exchange Act. Such a determination could ultimately lead to deregistration from the SEC, which would substantially reduce or effectively terminate the trading of the ADSs in the United States. Moreover, any negative news about the proceedings against these audit firms may adversely affect investor confidence in companies with substantial mainland China-based operations listed in the United States. All these would materially and adversely affect the market price of the ADSs and substantially reduce or effectively terminate the trading of the ADSs in the United States.

Risks Related to the American Depositary Shares

****The trading prices of the ADSs are likely to be volatile, which could result in substantial losses to you.***

We completed our initial public offering on February 8, 2016, and there has been a public market for the ADSs since that time. The trading price of the ADSs is likely to be volatile and could fluctuate widely in response to a variety of factors, many of which are beyond our control. In addition, the performance and fluctuation of the market prices of other companies with business operations located mainly in China that have listed their securities in the United States may affect the volatility in the price of and trading volumes for the ADSs. Some of these companies have experienced significant volatility, including significant price declines after their initial public offerings. The trading performances of these PRC companies' securities at the time of or after their offerings may affect the overall investor sentiment towards other PRC companies listed in the United States and consequently may impact the trading performance of the ADSs.

In addition to market and industry factors, the price and trading volume for the ADSs may be highly volatile for specific business reasons, including:

- announcements of regulatory approval or a complete response letter, or specific label indications or patient populations for its use, or changes or delays in the regulatory review process;
- announcements of therapeutic innovations or new products by us or our competitors;
- adverse actions taken by regulatory agencies with respect to our clinical trials, manufacturing supply chain or sales and marketing activities;
- any adverse changes to our relationship with manufacturers or suppliers;
- the results of our testing and clinical trials;
- the results of our efforts to acquire or license additional drug candidates;
- variations in the level of expenses related to our existing drug candidates or preclinical, clinical development and commercialization programs;
- any intellectual property infringement actions in which we may become involved;
- announcements concerning our competitors or the pharmaceutical industry in general;
- fluctuations in product revenue, sales and marketing expenses and profitability;
- manufacture, supply or distribution shortages;

- variations in our results of operations;
- announcements about our results of operations that are not in line with analyst expectations, the risk of which is enhanced because it is our policy not to give guidance on results of operations;
- publication of operating or industry metrics by third parties, including government statistical agencies, that differ from expectations of industry or financial analysts;
- changes in financial estimates by securities research analysts;
- announcements made by us or our competitors of new product and service offerings, acquisitions, strategic relationships, joint ventures or capital commitments;
- media reports, whether or not true, about our business;
- additions to or departures of our management;
- fluctuations of exchange rates between the RMB and the U.S. dollar;
- release or expiry of lock-up or other transfer restrictions on our outstanding ordinary shares or ADSs;
- sales or perceived potential sales of additional ordinary shares or ADSs;
- sales of the ADSs by us, our executive officers and directors or our shareholders in the future;
- general economic and market conditions and overall fluctuations in the U.S. equity markets;
- changes in accounting principles;
- changes or developments in the PRC or global regulatory environment; and
- the outcome of proceedings recently instituted by the SEC against five PRC-based accounting firms, including the affiliate of our independent registered public accounting firm.

Any of these factors may result in large and sudden changes in the volume and trading price of the ADSs. In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted securities class action litigation against that company. If we were involved in a class action suit, it could divert the attention of management, and, if adversely determined, have a material adverse effect on our financial condition and results of operations.

In addition, the stock market, in general, and small pharmaceutical and biotechnology companies have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the market price of the ADSs, regardless of our actual operating performance. Further, the current decline in the financial markets and related factors beyond our control may cause the ADSs price to decline rapidly and unexpectedly.

We may be subject to securities litigation, which is expensive and could divert management attention.

The ADS price may be volatile, and in the past companies that have experienced volatility in the market price of their ADSs have been subject to an increased incidence of securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

Future sales of the ADSs in the public market could cause the ADS price to fall.

The ADS price could decline as a result of sales of a large number of the ADSs or the perception that these sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

As of November 8, 2017, we had 591,072,330 ordinary shares outstanding, of which 377,568,555 ordinary shares were held in the form of 29,043,735 ADSs. Of this amount, 32,746,416 ordinary shares issued to Celgene at the closing of the Celgene Transaction are subject to a one-year lock-up.

Furthermore, we have registered or plan to register the offer and sale of all ordinary shares that we have issued and may issue in the future under our equity compensation plans, including upon the exercise of share options and vesting of restricted share units. If these additional ordinary shares are sold, or if it is perceived that they will be sold, in the public market, the trading price of our ADSs could decline.

On May 26, 2017, we filed a registration statement on behalf of certain shareholders, registering 299,279,370 ordinary shares in the form of 23,021,490 ADSs to be resold by the selling shareholders identified therein and in any related prospectus supplement from time to time. As of September 30, 2017, the holder of approximately 224,372 of our then-outstanding ordinary shares, had rights, subject to some conditions, to include its ordinary shares in registration statements we may file for ourselves or other shareholders. We have also agreed to grant certain registration rights with respect to the shares to be issued to Celgene in the event that they are not eligible for sale under Rule 144.

In addition, in the future, we may issue additional ordinary shares or other equity or debt securities convertible into ordinary shares in connection with a financing, acquisition, litigation settlement, employee arrangements or otherwise. Any such issuance could result in substantial dilution to our existing shareholders and could cause the ADS price to decline.

We are currently an "emerging growth company." As a result of the reduced disclosure requirements applicable to emerging growth companies, the ADSs may be less attractive to investors.

We are currently an "emerging growth company," as defined in the JOBS Act. For so long as we remain an emerging growth company, we are permitted and intend to rely on some of the exemptions from certain reporting requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include but are not limited to not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved.

We cannot predict whether investors will find the ADSs less attractive because we will rely on these exemptions. If some investors find the ADSs less attractive as a result, there may be a less active trading market for the ADSs and the ADS price may be more volatile.

We have determined that, as of June 30, 2017, we have at least $700 million of equity securities held by non-affiliates, and as such we will no longer qualify as an emerging growth company as of December 31, 2017. As a result, we will no longer be able to take advantage of specified reduced disclosure and other requirements that are available to emerging growth companies after such date.

Because we do not expect to pay dividends in the foreseeable future, you must rely on price appreciation of the ADSs for return on your investment.

We intend to retain most, if not all, of our available funds and earnings to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. Therefore, you should not rely on an investment in the ADSs as a source for any future dividend income.

Our board of directors has significant discretion as to whether to distribute dividends. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in the ADSs will likely depend entirely upon any future price appreciation of the ADSs. There is no guarantee that the ADSs will appreciate in value or even maintain the price at which you purchased the ADSs. You may not realize a return on your investment in the ADSs and you may even lose your entire investment in the ADSs.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the market price for the ADSs and trading volume could decline.

The trading market for the ADSs relies in part on the research and reports that equity research analysts publish about us or our business. We do not control these analysts. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who covers us downgrades the ADSs or publishes inaccurate or unfavorable research about our business, the market price for the ADSs would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for the ADSs to decline significantly.

We are a Cayman Islands company. Because judicial precedent regarding the rights of shareholders is more limited under Cayman Islands law than under U.S. law, shareholders may have fewer shareholder rights than they would have under U.S. law.

Our corporate affairs are governed by our amended and restated memorandum and articles of association (as may be amended from time to time), the Companies Law (as amended) of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors are to a large extent governed by the common law of the Cayman Islands. This common law is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The rights of our shareholders and the fiduciary responsibilities of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a less developed body of securities law than the United States. In addition, some states in the United States, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands.

In addition, as a Cayman Islands exempted company, our shareholders have no general rights under Cayman Islands law to inspect corporate records and accounts or to obtain copies of lists of shareholders of these companies with the exception that the shareholders may request a copy of the current amended and restated memorandum and articles of association. Our directors have discretion under our amended and restated articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest. As a Cayman Islands company, we may not have standing to initiate a derivative action in a federal court of the United States. As a result, you may be limited in your ability to protect your interests if you are harmed in a manner that would otherwise enable you to sue in a United States federal court. In addition, shareholders of Cayman Islands companies may not have standing to initiate a shareholder derivative action in U.S. federal courts.

As a result of all of the above, public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a U.S. company.

You may face difficulties in protecting your interests, and your ability to protect your rights through the U.S. federal courts may be limited because we are incorporated under Cayman Islands law, we currently conduct substantially all of our operations outside the United States and some of our directors and executive officers reside outside the United States.

We are incorporated in the Cayman Islands and currently conduct a substantial amount of our operations outside the United States through our subsidiaries. Some of our directors and executive officers reside outside the United States and a substantial portion of their assets are located outside of the United States. As a result, it may be difficult or impossible for you to bring an action against us or against these individuals in the Cayman Islands or in China in the event that you believe that your rights have been infringed under the securities laws of the United States or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands and China may render you unable to enforce a judgment against our assets or the assets of our directors and officers. There is no statutory recognition in the Cayman Islands of judgments obtained in the United States or China, although the courts of the Cayman Islands will generally recognize and enforce a non-penal judgment of a foreign court of competent jurisdiction without retrial on the merits.

Your voting rights as a holder of the ADSs are limited by the terms of the deposit agreement, as amended.

You may exercise your voting rights with respect to the ordinary shares underlying your ADSs only in accordance with the provisions of the deposit agreement, as amended. Upon receipt of voting instructions from you in the manner set forth in the deposit agreement, the depositary for the ADSs will endeavor to vote your underlying ordinary shares in accordance with these instructions. Under our articles of association, the minimum notice period required for convening a general meeting is seven calendar days. When a general meeting is convened, you may not receive sufficient notice of a shareholders' meeting to permit you to withdraw your ordinary shares to allow you to cast your vote with respect to any specific matter at the meeting. In addition, the depositary and its agents may not be able to send voting instructions to you or carry out your voting instructions in a timely manner. We will make all reasonable efforts to cause the depositary to extend voting rights to you in a timely manner, but you may not receive the voting materials in time to ensure that you can instruct the depositary to vote your shares. Furthermore, the depositary and its agents will not be responsible for any failure to carry out any instructions to vote, for the manner in which any vote is cast or for the effect of any such vote. As a result, you may not be able to exercise your right to vote and you may lack recourse if your ordinary shares are not voted as you requested.

Anti-takeover provisions in our charter documents may discourage our acquisition by a third party, which could limit our shareholders' opportunity to sell their shares, including ordinary shares represented by the ADSs, at a premium.

Our amended and restated memorandum and articles of association include provisions that could limit the ability of others to acquire control of our company, could modify our structure or could cause us to engage in change-of-control transactions. These provisions could have the effect of depriving our shareholders of an opportunity to sell their shares, including ordinary shares represented by ADSs, at a premium over prevailing market prices by discouraging third parties from seeking to obtain control in a tender offer or similar transaction.

For example, our board of directors has the authority, without further action by our shareholders, to issue preferred shares in one or more series and to fix the powers and rights of these shares, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights associated with our ordinary shares. preferred shares could thus be issued quickly with terms calculated to delay or prevent a change in control or make removal of management more difficult. In addition, if our board of directors authorizes the issuance of preferred shares, the market price of the ADSs may fall and the voting and other rights of the holders of our ordinary shares may be materially and adversely affected.

Furthermore, the amended and restated articles of association permit the directors to vary all or any of the rights attaching to any shares in issue without the consent of the shareholder but only if such variation is considered by the directors not to have a material adverse effect upon such holder. The directors cannot vary the rights of shares if such variation would have a material adverse effect of the holder. The amended and restated articles of association provide that the holders must consent to any such material adverse changes in the manner set out therein.

Because our directors are divided into three classes with staggered terms of three years each, shareholders can only elect or remove a limited number of our directors in any given year. The length of these terms could present an obstacle to certain actions, such as a merger or other change of control, which could be in the interest of our shareholders.

Our amended and restated memorandum and articles of association provide that any shareholder bringing an unsuccessful action against us may be obligated to reimburse us for any costs we have incurred in connection with such unsuccessful action.

Our amended and restated memorandum and articles of association provide that under certain circumstances the fees, costs, and expenses that we incur in connection with actions or proceedings brought by any person or entity, which we refer to as claiming parties, may be shifted to such person or entity. If a claiming party asserts any claim; initiates any proceeding; or joins, offers substantial assistance to, or has a direct financial interest in any claim or proceeding against us (including any proceeding purportedly filed on behalf of us or any shareholder), and such claiming party (or the third party that received substantial assistance from a claiming party or in whose claim or proceeding such claiming party has a direct financial interest) is unsuccessful in obtaining a judgment on the merits in which the claiming party prevails, then such claiming party may, to the fullest extent permissible by law, be obligated jointly and severally to reimburse us for all fees, costs, and expenses, including but not limited to all reasonable attorneys' fees and other litigation expenses, that we may incur in connection with such claim, suit, action, or proceeding.

Fee-shifting articles are relatively new and untested in both the Cayman Islands and the United States. The case law and potential legislative action on fee-shifting articles are evolving and there exists considerable uncertainty regarding the validity of, and potential judicial and legislative responses to, such articles. For example, it is unclear whether our ability to invoke our fee-shifting article in connection with claims under the federal securities laws, including claims related to any of our public offerings, would be preempted by federal law. Similarly, it is unclear how courts might apply the standard that a claiming party must obtain a judgment that substantially achieves, in substance and amount, the full remedy sought. The application of our fee-shifting article in connection with such claims, if any, will depend in part on future developments of the law. We cannot assure you that we will or will not invoke our fee-shifting article in any particular dispute, including any claims related to our public offerings. Consistent with our directors' fiduciary duties to act in the best interests of the company, the directors may in their sole discretion from time to time decide whether or not to enforce this article. In addition, given the unsettled state of the law related to fee-shifting articles, such as ours, we may incur significant additional costs associated with resolving disputes with respect to such articles, which could adversely affect our business and financial condition.

If a shareholder that brings any such claim, suit, action or proceeding is unable to obtain the judgment sought, the attorneys' fees and other litigation expenses that might be shifted to a claiming party are potentially significant. This fee-shifting article, therefore, may dissuade or discourage current or former shareholders (and their attorneys) from initiating lawsuits or claims against us. In addition, it may impact the fees, contingency or otherwise, required by potential plaintiffs' attorneys to represent our shareholders or otherwise discourage plaintiffs' attorneys from representing our shareholders at all. As a result, this article may limit the ability of shareholders to affect the management and direction of our company, particularly through litigation or the threat of litigation.

The depositary for the ADSs will give us a discretionary proxy to vote our ordinary shares underlying your ADSs if you do not vote at shareholders' meetings, except in limited circumstances, which could adversely affect your interests.

Under the deposit agreement, as amended, for the ADSs, the depositary will give us a discretionary proxy to vote our ordinary shares underlying your ADSs at shareholders' meetings if you do not give voting instructions to the depositary, unless:

- we have failed to timely provide the depositary with our notice of meeting and related voting materials;
- we have instructed the depositary that we do not wish a discretionary proxy to be given;
- we have informed the depositary that there is substantial opposition as to a matter to be voted on at the meeting; or
- a matter to be voted on at the meeting would have a material adverse impact on shareholders.

The effect of this discretionary proxy is that, if you fail to give voting instructions to the depositary, you cannot prevent our ordinary shares underlying your ADSs from being voted, absent the situations described above, and it may make it more difficult for shareholders to influence our management. Holders of our ordinary shares are not subject to this discretionary proxy.

Holders of the ADSs may be subject to limitations on transfer of their ADSs.

Your ADSs are transferable on the books of the depositary. However, the depositary may close its books at any time or from time to time when it deems expedient in connection with the performance of its duties. The depositary may refuse to deliver, transfer or register transfers of your ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary think it is advisable to do so because of any requirement of law, government or governmental body, or under any provision of the deposit agreement, as amended, or for any other reason, subject to your right to cancel your ADSs and withdraw the underlying ordinary shares. Temporary delays in the cancellation of your ADSs and withdrawal of the underlying common shares may arise because the depositary has closed its transfer books or we have closed our transfer books, the transfer of ordinary shares is blocked to permit voting at a shareholders' meeting or we are paying a dividend on our ordinary shares.

In addition, you may not be able to cancel your ADSs and withdraw the underlying ordinary shares when you owe money for fees, taxes and similar charges and when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to ADSs or to the withdrawal of ordinary shares or other deposited securities.

The depositary for the ADSs is entitled to charge holders fees for various services, including annual service fees.

The depositary for the ADSs is entitled to charge holders fees for various services including for the issuance of ADSs upon deposit of ordinary shares, cancellation of ADSs, distributions of cash dividends or other cash distributions, distributions of ADSs pursuant to share dividends or other free share distributions, distributions of securities other than ADSs and annual service fees. In the case of ADSs issued by the depositary into The Depository Trust Company, or DTC, the fees will be charged by the DTC participant to the account of the applicable beneficial owner in accordance with the procedures and practices of the DTC participant as in effect at the time.

You may not receive distributions on our ordinary shares or any value for them if it is illegal or impractical to make them available to you.

The depositary of the ADSs has agreed to pay you the cash dividends or other distributions it or the custodian for the ADSs receives on our ordinary shares or other deposited securities after deducting its fees and expenses. You will

receive these distributions in proportion to the number of our ordinary shares that your ADSs represent. However, the depositary is not responsible for making such payments or distributions if it is unlawful or impractical to make a distribution available to any holders of ADSs. For example, it would be unlawful to make a distribution to a holder of ADSs if it consists of securities that require registration under the Securities Act but that are not properly registered or distributed pursuant to an applicable exemption from registration. The depositary is not responsible for making a distribution available to any holders of ADSs if any government approval or registration required for such distribution cannot be obtained after reasonable efforts made by the depositary. We have no obligation to take any other action to permit the distribution of the ADSs, ordinary shares, rights or anything else to holders of the ADSs. This means that you may not receive the distributions we make on our ordinary shares or any value for them if it is illegal or impractical for us to make them available to you. These restrictions may materially reduce the value of your ADSs.

Holders of the ADSs may not be able to participate in rights offerings and may experience dilution of their holdings.

From time to time, we may distribute rights to our shareholders, including rights to acquire securities. Under the deposit agreement, the depositary will not distribute rights to holders of ADSs unless the distribution and sale of rights and the securities to which these rights relate are either exempt from registration under the Securities Act with respect to all holders of ADSs or are registered under the provisions of the Securities Act. The depositary may, but is not required to, attempt to sell these undistributed rights to third parties and may allow the rights to lapse. We may be unable to establish an exemption from registration under the Securities Act, and we are under no obligation to file a registration statement with respect to these rights or underlying securities or to try to have a registration statement declared effective. Accordingly, holders of ADSs may be unable to participate in our rights offerings and may experience dilution of their holdings as a result.

****Our corporate actions are substantially controlled by our directors, executive officers and other principal shareholders, who can exert significant influence over important corporate matters, which may reduce the price of the ADSs and deprive you of an opportunity to receive a premium for your ADSs.***

Our directors, executive officers and principal shareholders beneficially owned approximately 66.7% of our outstanding ordinary shares as of November 1, 2017. These shareholders, if acting together, could exert substantial influence over matters such as electing directors and approving material mergers, acquisitions or other business combination transactions. This concentration of ownership may also discourage, delay or prevent a change in control of our company, which could have the dual effect of depriving our shareholders of an opportunity to receive a premium for their shares as part of a sale of our company and reducing the price of the ADSs. These actions may be taken even if they are opposed by our other shareholders, including the holders of the ADSs. In addition, these persons could divert business opportunities away from us to themselves or others.

****We have incurred increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices.***

As a public company, we have incurred and will continue to incur significant legal, accounting and other expenses that we did not incur as a private company. For example, as a public company, we are now subject to the reporting requirements of the Exchange Act, which requires, among other things, that we file with the SEC annual, quarterly and current reports with respect to our business and financial condition. We have incurred and will continue to incur costs associated with the preparation and filing of these reports. The Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the NASDAQ Stock Market and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, which in turn could make it more difficult for us to attract and retain qualified members of our board of directors.

We continue to evaluate these rules and regulations, and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404, we were first required to furnish a report by our management on our internal control over financial reporting for the year ending December 31, 2016. Because we remain an emerging growth company, we are not currently required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. However, we will no longer qualify as an emerging growth company as of December 31, 2017, and will be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm after such date.

To achieve compliance with Section 404 within the prescribed period, we will continue to be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404. If we identify one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

We determined that we were a "passive foreign investment company" in 2016 and we may be a passive foreign investment company in future taxable years, which may have adverse U.S. federal income tax consequences for U.S. shareholders.

U.S. investors should be aware that we determined that we were a passive foreign investment company, within the meaning of Section 1297 of the Internal Revenue Code of 1986, as amended, or PFIC, for 2016. Given that the transactions with Celgene closed during the third quarter of 2017, we do not expect to be a PFIC for 2017. However, as our PFIC status must be determined annually with respect to each taxable year and will depend on the composition and character of our assets and income and the value of our assets (which may be determined, in part, by reference to the market value of our ADSs, which may be volatile) over the course of such taxable year, we may be a PFIC in any taxable year. If we are a PFIC for any taxable year during a U.S. shareholder's holding period of the ADSs or ordinary shares, then, regardless of whether we cease to meet the threshold requirements for PFIC status, such U.S. shareholder generally will be required to treat any gain realized upon a disposition of the ADSs or ordinary shares, or any "excess distribution" received on the ADSs or ordinary shares, as ordinary income earned over the U.S. shareholder's holding period for the ADSs or ordinary shares, and to pay the applicable taxes on such ordinary income along with an interest charge at the rate applicable to underpayments of tax on a portion of the resulting tax liability, unless the shareholder makes a timely and effective "qualified electing fund" election, or QEF election, or "mark-to-market" election with respect to the ADSs or ordinary shares. In addition, the U.S. shareholder would be subject to the same adverse U.S. federal income tax consequences on (i) certain distributions by any of our subsidiaries treated as PFICs ("lower-tier PFICs"), and (ii) a disposition of sharers of a lower-tier PFIC, in each case as if the U.S. shareholder owned the shares of the relevant lower-tier PFIC directly, even though the U.S. shareholder has not received the proceeds of those distributions or dispositions. A U.S. shareholder who makes an effective QEF election generally must report on a current basis its share of our net capital gain and ordinary earnings for any taxable year in which we are a PFIC, whether or not we distribute any amounts to our shareholders. If a QEF election is not in effect for the first taxable year in your holding period in which we are a PFIC, a QEF election can only be made if you elect to recognize gain as if you had sold the ADSs or ordinary shares for their fair market value on the first day of your taxable year in which the PFIC becomes a QEF pursuant to the QEF election. The gain recognized on this deemed sale would be subject to the general tax treatment of PFICs discussed above. We have posted on our website the information necessary for U.S. investors to make a QEF election for 2016. We intend to determine our PFIC status at the end of each taxable year and to satisfy any

applicable record keeping and reporting requirements that apply to a QEF, and will endeavor to provide to you, for each taxable year that we determine we are or may be a PFIC, the information that is necessary for you to make a QEF election with respect to us (and any of our subsidiaries which are lower-tier PFICs). We may elect to provide such information on our website. However, there can be no assurances that we will make the necessary information available to you. You are urged to consult your own tax advisors regarding the availability and advisability of, and procedure for making, a QEF election. A U.S. shareholder who makes an effective mark-to-market election generally must include as ordinary income any gain recognized in a year that we are a PFIC in an amount equal to the excess of the fair market value of the ADSs over the shareholder's adjusted tax basis therein. Each U.S. shareholder should consult its own tax advisors regarding the PFIC rules and the U.S. federal income tax consequences of the acquisition, ownership and disposition of the ADSs or ordinary shares.

If you are a "Ten Percent Shareholder," you may be subject to adverse U.S. federal income tax consequences if we are classified as a Controlled Foreign Corporation.

Each "Ten Percent Shareholder" (as defined below) in a non-U.S. corporation that is classified as a "controlled foreign corporation," or a CFC, for U.S. federal income tax purposes generally is required to include in income for U.S. federal tax purposes such Ten Percent Shareholder's pro rata share of the "CFC's" "Subpart F income" and investment of earnings in U.S. property, even if the CFC has made no distributions to its shareholders. A non-U.S. corporation generally will be classified as a CFC for U.S federal income tax purposes if Ten Percent Shareholders own in the aggregate, directly or indirectly, more than 50% of either the total combined voting power of all classes of stock of such corporation entitled to vote or of the total value of the stock of such corporation. A "Ten Percent Shareholder" is a U.S. person (as defined by the Internal Revenue Code of 1986, as amended), who owns or is considered to own 10% or more of the total combined voting power of all classes of stock entitled to vote of such corporation. The determination of CFC status is complex and includes attribution rules, the application of which is not entirely certain. We may currently be a CFC and/or we may become one in the future. Holders are urged to consult their own tax advisors with respect to our potential CFC status and the consequences thereof.

We may be subject to adverse legislative or regulatory tax changes that could negatively affect our financial condition.

The rules dealing with U.S. federal, state and local income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect our stockholders or us. In recent years, many changes have been made and changes are likely to continue to be made in the future. We cannot predict whether, when, in what form, or with what effective dates, tax laws, regulations and rulings may be enacted, promulgated or decided that could result in an increase in our, or our stockholders', tax liability or require changes in the manner in which we operate in order to minimize increases in our tax liability.

****Failure to comply with NASDAQ Marketplace Rules could materially and adversely affect our business.***

We currently have two members on our Audit Committee and one vacancy. In accordance with NASDAQ Marketplace Rule 505(c)(2)(A), we are required to maintain an audit committee composed of at least three members who meet certain eligibility criteria in order to remain listed on the NASDAQ Global Select Market. Under NASDAQ rules, we have a cure period which extends until the earlier of (1) our next annual general meeting of shareholders or (2) June 1, 2018 to regain compliance, or, if the next annual general meeting of shareholders is held no later than November 28, 2017, then we must regain compliance no later than November 28, 2017. We intend to appoint an additional independent director to the Audit Committee prior to the end of the cure period. In the event that we were delisted from the NASDAQ Global Select Market, our ADSs would become significantly less liquid, which would adversely affect their value. Although our ADSs would likely be traded over-the-counter or on pink sheets, these types of listings involve more risk and trade less frequently and in smaller volumes than securities traded on the NASDAQ Global Select Market.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Recent Sales of Unregistered Securities

We did not sell any of our ordinary shares or ADSs, or grant any share options or other equity awards, during the three months ended September 30, 2017 that were not registered under the Securities Act of 1933, as amended, or the Securities Act, except as follows:

On August 31, 2017, we sold 32,746,416 ordinary shares to Celgene Switzerland LLC, or Celgene Switzerland, for an aggregate cash price of $150 million, or $4.58 per ordinary share, or $59.55 per ADS, pursuant to Share Subscription Agreement dated July 5, 2017 by and between BeiGene and Celgene Switzerland, or the Share Subscription Agreement. The offer and sale of the shares issued pursuant to the Share Subscription Agreement was made in a private placement in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act, for transactions by an issuer not involving a public offering, and/or Regulation D under the Securities Act. All certificates evidencing the shares will bear a standard restrictive legend under the Securities Act.

Use of Proceeds from Sales of Registered Securities

On February 8, 2016, we closed the sale of 7,590,000 ADSs to the public at an initial public offering price of $24.00 per ADS, including the exercise in full by the underwriters of their option to purchase additional ADSs. The ordinary shares in the form of ADSs in our initial public offering were registered under the Securities Act pursuant to a registration statements on Form S-1 (File No. 333-207459), which was filed with the SEC on October 16, 2015 and amended subsequently and declared effective on February 2, 2016. Following the sale of the ADSs in connection with the closing of our initial public offering, the offering terminated. The offering did not terminate before all the securities registered in the registration statements were sold. The underwriters of the offering were Goldman, Sachs & Co., Morgan Stanley, and Cowen and Company acting as joint book-running managers for the offering and as representatives of the underwriters. Baird acted as co-manager for the offering.

We raised $166.2 million in net proceeds after deducting underwriting discounts and commissions and other offering expenses of approximately $16.0 million. No offering expenses were paid directly or indirectly to any of our directors or officers (or their associates) or persons owning ten percent or more of any class of our equity securities or to any other affiliates.

As of September 30, 2017, we have used all of the net proceeds from our initial public offering to fund the costs of ongoing clinical development for our clinical drug candidates, BGB-3111, BGB-A317, BGB-290 and BGB-283, and preclinical drug candidates, as well as for working capital, capital expenditures and general corporate purposes. Prior to their use, we invested a significant portion of the balance of the net proceeds from our initial public offering in short-term, interest-bearing investment-grade securities and government securities in accordance with our investment policy. Our use of the net offering proceeds was consistent with the use of proceeds described in our final prospectus filed with the SEC on February 3, 2016 pursuant to Rule 424(b) under the Securities Act, and there has been no material change in our planned use of the balance of the net proceeds from the offerings described in such prospectus.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Not applicable.

Item 6. Exhibits.

See the Exhibit Index on the page immediately following the signature page to this Quarterly Report for a list of the exhibits filed as part of this Quarterly Report, which Exhibit Index is incorporated herein by reference.

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Date	Number	
3.1	Fourth Amended and Restated Memorandum and Articles of Incorporation of the Registrant, as currently in effect	8-K	02/11/2016	3.1	
4.1	Deposit Agreement dated February 5, 2016 by and among the Registrant, the Depositary and holders of the American Depositary Receipts	8-K	02/11/2016	4.1	
4.2	Amendment No. 1 to Deposit Agreement, dated April 11, 2016, by and among the Registrant, Citibank, N.A. and holders of the American Depositary Receipts	8-K	04/11/2016	4.1	
4.3	Form of American Depositary Receipt (included in Exhibit 4.2)	8-K	04/11/2016	4.2	
4.4	Specimen Certificate for Ordinary Shares	S-1	12/09/2015	4.3	
4.5	Second Amended and Restated Investors' Rights Agreement, dated as of April 21, 2015, by and among the Registrant and certain shareholders named therein	S-1	10/16/2015	4.4	
4.6	Amendment No. 1 to Second Amended and Restated Investors' Rights Agreement, dated January 26, 2016, by and among the Registrant and certain shareholders named therein	S-1	01/27/2016	10.21	
4.7	Letter Agreement, dated as of July 11, 2016, between the Registrant and Citibank, N.A.	10-Q	08/10/2016	4.7	
4.8	Registration Rights Agreement, dated as of November 16, 2016, by and among the Registrant and the investors name therein	8-K	08/10/2016	4.1	
4.9	Form of Letter Agreement, between the Registrant and Citibank, N.A.	10-Q	05/10/2017	4.9	
10.1	Share Subscription Agreement, dated July 5, 2017, by and between Celgene Switzerland LLC and the Registrant	8-K	07/06/2017	10.1	
10.2#	Amended and Restated Exclusive License and Collaboration Agreement, dated August 31, 2017, by and among the Registrant, Celgene Corporation and Celgene Switzerland LLC				X
10.3#	License and Supply Agreement, dated July 5, 2017, by and between the Registrant and Celgene Logistics Sàrl				X
10.4†	Amendment No. 1 to BeiGene, Ltd. 2016 Share Option and Incentive Plan				X
10.5†	Forms of Restricted Share Unit Award Agreement and Share Option Agreement under BeiGene, Ltd. 2016 Share Option and Incentive Plan				X

31.1	Certification of Principal Executive Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended	X
31.2	Certification of Principal Financial Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended	X
*32.1	Certification of Principal Executive Officer and Principal Financial Officer Required Under Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, and 18 U.S.C. §1350	X
101	The following materials from Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2017, formatted in eXtensible Business Reporting Language (XBRL) includes: (i) Condensed Consolidated Balance Sheets; (ii) Condensed Consolidated Statements of Operations; (iii) Condensed Consolidated Statements of Comprehensive Income (Loss); (iv) Condensed Consolidated Statements of Cash Flows; and (v) Notes to the Condensed Consolidated Financial Statements.	X

† Indicates a management contract or any compensatory plan, contract or arrangement.

Confidential treatment has been requested for portions of this exhibit. These portions have been omitted from this Quarterly Report on Form 10-Q and filed separately with the U.S. Securities and Exchange Commission.

* Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BEIGENE, LTD.

Date: November 13, 2017

By: /s/ John V. Oyler
John V. Oyler
Chief Executive Officer and Chairman
(Principal Executive Officer)

Date: November 13, 2017

By: /s/ Howard Liang
Howard Liang
Chief Financial Officer and Chief Strategy Officer
(Principal Financial and Accounting Officer)

Exhibit 10.2

EXECUTION VERSION

CERTAIN CONFIDENTIAL PORTIONS OF THIS EXHIBIT WERE OMITTED AND REPLACED WITH "[...*...]." A COMPLETE VERSION OF THIS EXHIBIT HAS BEEN FILED SEPARATELY WITH THE SECRETARY OF THE U.S. SECURITIES AND EXCHANGE COMMISSION PURSUANT TO AN APPLICATION REQUESTING CONFIDENTIAL TREATMENT PURSUANT TO RULE 24b-2 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.**

AMENDED AND RESTATED
EXCLUSIVE LICENSE AND COLLABORATION AGREEMENT

by and among

BEIGENE, LTD.

and

CELGENE CORPORATION

and

CELGENE SWITZERLAND LLC

Originally executed on July 5, 2017, and entered into as of August 31, 2017

TABLE OF CONTENTS

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

LIST OF EXHIBITS

LIST OF SCHEDULES

AMENDED AND RESTATED
EXCLUSIVE LICENSE AND COLLABORATION AGREEMENT

This **AMENDED AND RESTATED EXCLUSIVE LICENSE AND COLLABORATION AGREEMENT** (this " **Agreement** ") is entered into as of August 31, 2017 (the " **Amended Execution Date** ") and made effective as of the Effective Date (as defined in Section 15.2) by and among **BeiGene, Ltd.** , a corporation organized under the laws of the Cayman Islands (" **BeiGene** "), and **Celgene Corporation** , a Delaware corporation (" **Celgene Corp.** "), with respect to all rights and obligations of Celgene under this Agreement in the United States (subject to Section 14.16), and **Celgene Switzerland LLC** , a Delaware limited liability company (" **Celgene LLC** "), with respect to all rights and obligations of Celgene under this Agreement outside of the United States (subject to Section 14.16) (Celgene Corp. and Celgene LLC together, " **Celgene** "). Celgene and BeiGene are each referred to herein by name or as a " **Party** " or, collectively, as the " **Parties** ".

RECITALS

WHEREAS , BeiGene controls certain intellectual property related to the Licensed Compounds (as defined below), Licensed Products (as defined below) and Licensed Diagnostic Products (as defined below) for use in the Field (as defined below);

WHEREAS , Celgene has experience in the development and commercialization of pharmaceutical products in the Celgene Territory (as defined below);

WHEREAS , the Parties desire to enter into this Agreement pursuant to which, among other things, BeiGene grants to Celgene exclusive rights with respect to the development, manufacture and commercialization of Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Celgene Territory for use in the Field, on the terms and subject to the conditions set forth herein; and

WHEREAS , Celgene and BeiGene previously entered into that certain Exclusive License and Collaboration Agreement (the " **Original Agreement** ") entered into as of July 5, 2017 (the " **Execution Date** ") and now desire to amend and restate the Original Agreement in its entirety and replace the Original Agreement with this Agreement.

NOW, THEREFORE , in consideration of the foregoing and the mutual agreements set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

Unless specifically set forth to the contrary herein, the following capitalized terms will have the respective meanings set forth below.

1.1 " **Accounting Standards** " means U.S. generally accepted accounting principles (" **GAAP** ") or, to the extent that Celgene adopts International Financial Reporting Standards (" **IFRS** "), then "Accounting Standards" means IFRS, in either case consistently applied.

1.2 " **Affiliate** " means any Person which, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with a Party. For purposes of this definition, the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") as used with respect to a Person means (a) direct or indirect ownership of more than fifty percent (50%) of the voting securities or other voting interest of any Person (including attribution from related parties), or (b) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract, as a general partner, as a manager, or otherwise.

1.3 " **Annual Net Sales** " means, on a Licensed Product-by-Licensed Product basis (but excluding Licensed Diagnostic Products), total Net Sales by Celgene, its Affiliates and Sublicensees in the Celgene Territory of such Licensed Product in a particular Calendar Year.

1.4 " **Antitrust Law** " means the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the rules and regulations promulgated thereunder (the " **HSR Act** "), the Sherman Act, as amended, the Clayton Act, as amended, the Federal Trade Commission Act, as amended, and any other Laws related to merger control or designed to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade, in the United States and all states and territories thereof.

1.5 " **API** " means an active pharmaceutical ingredient or any compound being Developed as a potential active pharmaceutical ingredient.

1.6 " **Basket Indication** " means an Indication in the Field that is the specific subject of a Basket Study as identified in the Basket Program Development Plan.

1.7 " **Basket Program** " means the collection of Basket Studies under the Basket Program Development Plan in accordance with Section 3.2.

1.8 " **Basket Study** " means a given Registrational Clinical Trial (and all other related Clinical Trials necessary to conduct such Registrational Clinical Trial) for Licensed Product for a given Indication in the Field that is included in the Basket Program Development Plan.

1.9 " **BeiGene IP** " means the BeiGene Patents, the BeiGene Know-How and BeiGene's interest in the Joint Patents and Joint Know-How.

1.10 " **BeiGene Know-How** " means any and all Know-How that is Controlled by BeiGene or any of its Affiliates as of the Execution Date or at any time thereafter until the end of the Term that is necessary or useful for the Development, Manufacture or Commercialization of any Licensed Compound, Licensed Product (including as a Single Agent Regimen, Combination Regimen or otherwise) or Licensed Diagnostic Product, including (a) all Product Biological and Chemical Materials Controlled by BeiGene or any of its Affiliates, (b) BeiGene Inventions and (c) all data from any Clinical Trials of Licensed Compound, Licensed Product or Licensed Diagnostic Product conducted by or on behalf of BeiGene (or any of its Affiliates or sublicensees, but excluding Celgene and its Affiliates); but excluding any Joint Know-How.

1.11 " **BeiGene's Knowledge** " means [...***...], having duly inquired of all direct reports concerning the matter in question, but having no further duty to make any other inquiries.

1.12 " **BeiGene Patents** " means any and all Patents that are Controlled by BeiGene or any of its Affiliates as of the Execution Date or at any time thereafter until the end of the Term that claim or Cover (a) any Licensed Compound, Licensed Product (including as a Single Agent Regimen, Combination Regimen or otherwise) or Licensed Diagnostic Product, or the Development, Manufacture or Commercialization of any of the foregoing, or (b) any BeiGene Know-How, including the Patents that are set forth on Schedule 1.12 ; but excluding the Joint Patents.

1.13 " **BeiGene Territory** " means the countries set forth on Schedule 1.13 and their respective territories and possessions.

1.14 " **Biosimilar Product** " means, with respect to a Licensed Product in a given country in the Celgene Territory, a Third Party biologic product that is licensed by a Regulatory Authority as a biosimilar or bioequivalent to such Licensed Product pursuant to applicable Laws, including the Biologics Price Competition and Innovation Act of 2009, the United States Patient Protection and Affordable Care Act. For purposes of clarity, a biologic product will be deemed to be biosimilar or bioequivalent to a Licensed Product for purposes of this definition if such Licensed Product is used as the reference product in the application or submission made with respect to such biologic product under applicable Laws.

1.15 " **Biomarker** " means a parameter or characteristic in a patient or Patient Sample, the measurement of which is useful (a) for purposes of selecting appropriate therapies or patient populations or monitoring therapies for such patient and/or (b) for predicting the outcome of a particular treatment of such patient.

1.16 " **Business Day** " means a day on which banking institutions in New York City, New York and in Shanghai, China are open for business, excluding any Saturday or Sunday.

1.17 " **Calendar Quarter** " means the period beginning on the Effective Date and ending on the last day of the calendar quarter in which the Effective Date falls, and thereafter each successive period of three (3) consecutive calendar months ending on the last day of March, June September, or December, respectively; provided that the final Calendar Quarter will end on the last day of the Term.

1.18 " **Calendar Year** " means the period beginning on the Effective Date and ending on December 31 of the calendar year in which the Effective Date falls, and thereafter each successive period of twelve (12) consecutive calendar months beginning on January 1 and ending on December 31; provided that the final Calendar Year will end on the last day of the Term.

1.19 " **Celgene Collaboration IP** " means any Patents or Know-How, or Celgene's and/or its Affiliates' interest therein, that is (a) developed or generated by or on behalf of Celgene and/or its Affiliate(s) in the conduct of the Collaboration during the Term and derived from the use of BeiGene Know-How or Joint Know-How disclosed or transferred by BeiGene or its Affiliates to Celgene or its Affiliates (for clarity, including Licensed Compound and Licensed Products), (b) Controlled by Celgene or its Affiliate(s), (c) solely related to the Licensed Product

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

(and not to any other proprietary products of Celgene or any of its Affiliates) and (d) necessary or useful for the Development, Manufacture and/or Commercialization of any Licensed Compound(s) or Licensed Product(s) by BeiGene or its Affiliates or licensees (i) in the BeiGene Territory (other than in the Heme Field) or, (ii) after [...***...] in the Heme Field anywhere in the world. Any Patents owned or Controlled by Celgene or its Affiliates arising after the Effective Date that Cover the Celgene Collaboration IP are referred to herein as the " **Celgene Collaboration Patents** ."

1.20 " **Celgene Indications** " means all Indications in the Field except for the Basket Indications.

1.21 " **Celgene Proprietary IP** " means any Patents or Know-How, or Celgene's and/or its Affiliates' interest therein, that is (a) developed or generated by or on behalf of Celgene and/or its Affiliate(s) in the conduct of the Collaboration during the Term and derived from the use of BeiGene Know-How or Joint Know-How disclosed or transferred by BeiGene or its Affiliates to Celgene or its Affiliates (for clarity, including Licensed Compound and Licensed Products), (b) Controlled by Celgene or its Affiliate(s), (c) related (but not solely related) to the Licensed Product (and not to any other proprietary products of Celgene or any of its Affiliates except if such proprietary product is in a Combination Regimen) and (d) necessary for the Development, Manufacture and/or Commercialization of any Licensed Compound(s) or Licensed Product(s) by BeiGene or its Affiliates or licensees (i) in the BeiGene Territory (other than in the Heme Field), including in a Combination Regimen, or, (ii) after [...***...] in the Heme Field anywhere in the world. Celgene Proprietary IP expressly excludes Celgene Collaboration IP.

1.22 " **Celgene Territory** " means worldwide, excluding the BeiGene Territory.

1.23 " **China SPA Closing Date** " means the Closing Date of the Sale and Purchase Agreement by and between Celgene Holdings East Corporation and BeiGene (Hong Kong) Co., Limited dated as of the Execution Date.

1.24 " **Clinical Superiority** " means, with respect to a given Licensed Product for a given Indication in the Field, meeting [...***...].

1.25 " **Clinical Trial** " means a human clinical trial, including any Phase 1 Clinical Trial, Phase 2 Clinical Trial, Phase 3 Clinical Trial or Registrational Clinical Trial, any study incorporating more than one of these phases, or any human clinical trial commenced after Regulatory Approval.

1.26 " **COGS** " or " **Cost of Goods Sold** " means (a) if BeiGene is manufacturing Licensed Compound or Licensed Product, the fully-burdened aggregate reasonable, documented and verifiable direct and indirect costs and expenses incurred and recorded in manufacturing such Licensed Compound or Licensed Product consisting solely of: (i) [...***...] or (b) if a Third Party is supplying Licensed Compound or Licensed Product, the reasonable, documented and verifiable external out-of-pocket costs paid by BeiGene (or its Affiliates) to such Third Party to the extent specifically identifiable to the supply of such Licensed Compound or Licensed Product as determined in accordance with the applicable Accounting Standards

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

1.27 " **Collaboration** " means the activities performed or to be performed by a Party or Parties, or their respective Affiliates, as the case may be, relating to the Development, Manufacturing and Commercialization of Licensed Compounds and Licensed Products under this Agreement.

1.28 " **Combination Regimen** " means, with respect to a given Licensed Product for a given Indication, intended use of such Licensed Product for such Indication together with one or more other pharmaceutical products (the " **Other Product** ") as two or more entities of active ingredients in a combination therapy, including concomitant or sequential therapy, either (a) in a Clinical Trial for such Licensed Product for such Indication as set forth in the protocol for such Clinical Trial or (b) for commercial sale for such Indication as set forth in the approved label for such Licensed Product. For clarity, an Other Product could be [...***...].

1.29 " **Commercialization** " means any and all activities directed to the manufacturing (including Manufacturing) of commercial supply of a product (or related diagnostic product, if applicable), marketing, detailing, promotion and seeking of pricing and reimbursement of such products (if applicable), whether before or after Regulatory Approval has been obtained (including making, having made, using, importing, selling and offering for sale such product (or related diagnostic product, if applicable), and will include marketing, promoting, detailing, market research, distributing, order processing, handling returns and recalls, booking sales, customer service, administering and commercially selling such products, importing, exporting and transporting such products for commercial sale, and all regulatory compliance with respect to the foregoing. When used as a verb, " **Commercialize** " means to engage in Commercialization.

1.30 " **Commercially Reasonable Efforts** " means, with respect to a Party in relation to an obligation under this Agreement, such efforts that are consistent with the efforts and resources normally used by such Party in the exercise of its commercially reasonable business practices relating to performance of an obligation for a similar compound or product (including the research, development, manufacture and commercialization of a compound or product), as applicable, at a similar stage in its research, development or commercial life as the relevant Licensed Compound or Licensed Product, and that has commercial and market potential similar to the relevant Licensed Compound or Licensed Product, taking into account issues of [...***...].

1.31 " **Competing Product** " means a pharmaceutical product (other than a Licensed Product) that contains, as its active ingredient, [...***...]. For clarity, any pharmaceutical product (other than a Licensed Product) that contains, as its active ingredient, a molecule that binds simultaneously to [...***...], unless [...***...].

1.32 " **Confidential Information** " means, with respect to a Party, all confidential and proprietary information and materials, including Know-How, marketing plans, strategies, and customer lists, in each case, that are disclosed by or on behalf of such Party to the other Party, regardless of whether any of the foregoing are marked "confidential" or "proprietary" or communicated to the other Party by or on behalf of the disclosing Party in oral, written, visual, graphic or electronic form, in each case, pursuant to this Agreement.

1.33 " **Control** ", " **Controls** " or " **Controlled** " means, with respect to any intellectual property (including Patents and Know-How) or Confidential Information, the ability of a Party

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(whether through ownership or license (other than a license granted in this Agreement)) to grant to the other Party the licenses or sublicenses as provided herein, or to otherwise disclose such intellectual property or Confidential Information to the other Party, without violating the terms of any then-existing agreement with any Third Party at the time such Party would be required hereunder to grant the other Party such license or sublicenses as provided herein or to otherwise disclose such intellectual property or Confidential Information to the other Party.

1.34 " **Cost Plus Basis** " means, with respect to Development Costs, an amount equal to [...***...] such Development Costs (i.e., the amount of the Development Costs [...***...]).

1.35 " **Cover** ", " **Covering** " or " **Covered** " means, with reference to a Patent, that use, offer for sale, sale or importation of a compound would infringe a Valid Claim of such Patent in the country in which such activity occurs without a license thereto (or ownership thereof).

1.36 " **Development** " means (a) research activities (including drug discovery, identification, synthesis, modification and enhancement) with respect to a product (or related diagnostic product, as applicable) and (b) preclinical and clinical drug development activities, and other development activities, with respect to a product (or related diagnostic product, as applicable), including test method development and stability testing, toxicology, formulation, process development, qualification and validation, manufacture scale-up, development-stage manufacturing (including Manufacturing), quality assurance/quality control, Clinical Trials (including Clinical Trials and other studies commenced after Regulatory Approval), statistical analysis and report writing, the preparation and submission of INDs and MAAs, regulatory affairs with respect to the foregoing and all other activities related to obtaining or maintaining a Regulatory Approval. When used as a verb, " **Develop** " means to engage in Development.

1.37 " **Development Costs** " means, with respect to a given Basket Study, the reasonable, documented and verifiable [...***...]. Development Costs expressly exclude [...***...].

1.38 " **Dollars** " or **"$"** means the legal tender of the United States.

1.39 " **Equity Agreement** " means that certain Share Subscription Agreement entered into as of the Execution Date by and between Celgene LLC and BeiGene, in the form attached hereto as Exhibit A .

1.40 " **EU** " means all countries that are officially recognized as member states of the European Union at any particular time.

1.41 " **Executive Officers** " means [...***...].

1.42 " **Existing Regulatory Materials** " means the Regulatory Materials held by or on behalf of BeiGene or any of its Affiliates as of the Execution Date related to a Licensed Compound, Licensed Product or Licensed Diagnostic Product in the Field in the Celgene Territory **.**

1.43 " **Field** " means any and all uses or purposes for humans, including the treatment, prophylaxis, palliation, diagnosis or prevention of any human disease, disorder or condition, but excluding the Heme Field. For the avoidance of doubt, the Field shall include research and development in animals for human indications.

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1.44 " **First Commercial Sale** " means, on a Licensed Product-by-Licensed Product and country-by-country basis in the Celgene Territory, the first sale of such Licensed Product in such country for use or consumption by the general public (following receipt of all Regulatory Approvals that are legally required in order to sell such Licensed Product in such country) for use in the Field and for which any of Celgene or its Affiliates or Sublicensees has invoiced sales of such Licensed Product in such country; provided, however, that the following will not constitute a First Commercial Sale: (a) any sale to an Affiliate or Sublicensee unless the Affiliate or Sublicensee is the last entity in the distribution chain of the Licensed Product; or (b) any use of such Licensed Product in Clinical Trials or non-clinical development activities with respect to such Licensed Product by or on behalf of a Party, or disposal or transfer of such Licensed Product for a bona fide charitable purpose, compassionate use or samples.

1.45 " **Good Clinical Practices** " or " **GCP** " means, as applicable, (a) the then-current standards, practices and procedures promulgated or endorsed by the FDA for the design, conduct, performance, monitoring, auditing, recording, analyses, and reporting of clinical trials, including the requirements set forth in 21 C.F.R. Parts 11, 50, 54, 56, 312, and 314 and including any related regulatory requirements imposed by the FDA, and (b) any comparable regulatory standards, practices and procedures in jurisdictions outside of the U.S., in each case as they may be updated from time to time, that provide assurance that the data and reported results are credible and accurate, and that the rights, integrity, and confidentiality of trial subjects are protected.

1.46 " **Good Laboratory Practices** " or " **GLP** " means, as applicable, (a) the then-current good laboratory practice standards promulgated or endorsed by the FDA as defined in 21 C.F.R. Part 58, and (b) any comparable regulatory standards in jurisdictions outside the U.S., in each case as they may as they may be updated from time to time.

1.47 " **Good Manufacturing Practices** " or "c **GMP** " means, as applicable, (a) the then-current good manufacturing practices required by the FDA, as defined in 21 C.F.R. Parts 210 and 211 and the regulations promulgated thereunder, for the manufacture and testing of pharmaceutical materials, and (b) any comparable laws or regulations applicable to the manufacture (including testing) of pharmaceutical materials in jurisdictions outside the U.S., in each case as they may be updated from time to time.

1.48 " **Governmental Authority** " means any (a) federal, state, local, municipal, foreign or other government, (b) governmental or quasi-governmental authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, unit, body or entity and any court or other tribunal), (c) multinational governmental organization or body or (d) entity or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

1.49 " **Heme Field** " means the treatment, prevention or amelioration of [...***...].

1.50 " **IND** " means an investigational new drug application (including any amendment or supplement thereto) submitted to the FDA pursuant to U.S. 21 C.F.R. Part 312, including any amendments thereto. References herein to IND will include, to the extent applicable, any

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comparable filing(s) outside the U.S. for the investigation of any product in any other country or group of countries (such as a Clinical Trial Application in the EU).

1.51 " **Indication** " means a separate and distinct disease or medical condition in humans (a) for which a Licensed Product that is in clinical studies is intended to treat in such clinical studies, or (b) for which a Licensed Product has received a separate and distinct Regulatory Approval with an approved label claim to treat such disease or condition, as applicable.

1.52 " **Initiation** " means, with respect to a given Clinical Trial, the administration of the first dose of Licensed Product to the first properly enrolled patient in such Clinical Trial in accordance with the protocol for such Clinical Trial.

1.53 " **Inventions** " means all inventions and other Know-How (whether patentable or not) discovered, invented, made, conceived or reduced to practice by or on behalf of a Party or its Affiliates, whether solely or jointly with any Third Party (or jointly with the other Party or its Affiliates), in the course of activities performed under this Agreement.

1.54 " **Know-How** " means all proprietary (whether patentable or not) (a) information, techniques, technology, practices, trade secrets, inventions, methods (including methods of use or administration or dosing), knowledge, data, results and software and algorithms, including pharmacological, toxicological and clinical test data and results, compositions of matter, chemical structures and formulations, sequences, processes, formulae, techniques, research data, reports, standard operating procedures, batch records, manufacturing data, analytical and quality control data, analytical methods (including applicable reference standards), assays and research tools; and (b) tangible manifestations thereof.

1.55 " **Label Superiority** " means, with respect to a given Licensed Product for a given Indication in the Field in the Celgene Territory, that such Licensed Product for such Indication in such country has [...***...].

1.56 " **Law** " or " **Laws** " means all applicable laws, statutes, rules, regulations, orders, judgments, or ordinances having the effect of law of any national, multinational, federal, state, provincial, county, city or other political subdivision, including GCP, GLP and cGMP, as well as all applicable data protection and privacy laws, rules and regulations, including the United States Department of Health and Human Services privacy rules under the Health Insurance Portability and Accountability Act (" **HIPAA** ") and the Health Information Technology for Economic and Clinical Health Act and the EU Data Protection Directive.

1.57 " **Licensed Compound** " means:

(a) the compound known as BGB-A317, as is further described on Schedule 1.57(a) ; and

(b) any additional humanized variations of [...***...] as specifically disclosed under [...***...].

1.58 " **Licensed Diagnostic Product** " means, with respect to a given Licensed Product, any product that constitutes, incorporates, comprises or contains a composition, process, method

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or kit that is claimed or Covered by the BeiGene IP or that is otherwise Controlled by BeiGene or its Affiliate and that is necessary or useful (a) for the measurement of the activity and/or modulation of the receptor known as Programmed Cell Death protein 1 (PD-1) in a patient or Patient Sample, (b) to measure Biomarkers in a patient or Patient Sample, and/or (c) to monitor response to treatment for the purpose of adjusting treatment to achieve improved safety or effectiveness, in each case of (a), (b) and (c), for use in connection with, or otherwise useful for, the applicable Licensed Product.

1.59 " **Licensed Product** " means any product that constitutes, incorporates, comprises or contains a Licensed Compound, whether or not as the sole active ingredient, and in all forms, presentations, and formulations (including manner of delivery and dosage). For clarity, different forms, presentations or formulations (including different dosage strengths) of a given Licensed Product that constitute, incorporate, comprise or contain the same Licensed Compound will be considered the same Licensed Product for purposes of this Agreement.

1.60 " **Major Market** " means each of [...***...].

1.61 " **Manufacture** " means all activities related to the manufacturing of a product (or related diagnostic product, as applicable) or any component or ingredient thereof, including test method development and stability testing, formulation, process development, manufacturing scale-up whether before or after Regulatory Approval, manufacturing any product (or related diagnostic product, as applicable) in bulk or finished form for Development or Commercialization (as applicable), including filling and finishing, packaging, labeling, shipping and holding, in-process and finished product testing and release of a product (or related diagnostic product, as applicable) or any component or ingredient thereof, quality assurance and quality control activities related to manufacturing and release of a product (or related diagnostic product, as applicable), technical reporting (including batch records, data and other information related to process and analytical method development and manufacture of products), and regulatory activities related to any of the foregoing.

1.62 " **Marketing Authorization Application** " or " **MAA** " means an application, including a biologics license application (BLA), for the authorization to market a Licensed Product in any country or group of countries, as defined in the Laws and filed with the Regulatory Authority of a given country or group of countries, and all additions, amendments, supplements, extensions and modifications thereto.

1.63 " **Material Safety Issue** " means a significant safety concern that must be a bona fide, serious and unexpected safety concern or, if expected, must be observed at a higher rate and grade, and generally not monitorable or reversible. Material Safety Issues are limited to those that would significantly impact or delay [...***...].

1.64 " **Net Sales** " means [...***...].

1.65 " **Non-Superior Product** " means a Licensed Product that is not a Superior Product, as determined [...***...].

1.66 " **Patents** " means (a) all patents and patent applications in any country or supranational jurisdiction worldwide, (b) any substitutions, divisionals, continuations,

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continuations-in-part, reissues, renewals, registrations, confirmations, re-examinations, extensions, supplementary protection certificates and the like of any such patents or patent applications, and (c) foreign counterparts of any of the foregoing.

1.67 " **Patient Sample** " means tissue, fluid, or cells collected from a patient, or components of the foregoing.

1.68 " **Person** " means any individual, partnership, joint venture, limited liability company, corporation, firm, trust, association, unincorporated organization, governmental authority or agency, or any other entity not specifically listed herein.

1.69 " **PD-1 Antagonist** " means any monoclonal antibody the primary mechanism of action of which is to directly inhibit the receptor known as Programmed Cell Death protein 1 (PD-1). For clarity, [...***...].

1.70 " **PD-L1 Antagonist** " means any monoclonal antibody the primary mechanism of action of which is to directly inhibit the ligand known as Programmed Cell Death ligand 1 (PD-L1). For clarity, [...***...].

1.71 " **Phase 1 Clinical Trial** " means a human clinical trial of a product that would satisfy the requirements of U.S. 21 C.F.R. Part 312.21(a), as amended, the principal purpose of which is a preliminary determination of safety, pharmacokinetics, and pharmacodynamic parameters in healthy individuals or patients, or a similar clinical study prescribed by the Regulatory Authorities in a foreign country.

1.72 " **Phase 2 Clinical Trial** " means a human clinical trial of a product that would satisfy the requirements of U.S. 21 C.F.R. Part 312.21(b), as amended, and is intended to explore a variety of doses, dose response, and duration of effect, and to generate evidence of clinical safety and effectiveness for a particular Indication or Indications in a target patient population, or a similar clinical study prescribed by the relevant Regulatory Authorities in a country other than the United States.

1.73 " **Phase 3 Clinical Trial** " means a human clinical trial of a product that would satisfy the requirements of U.S. 21 C.F.R. Part 312.21(c), as amended, and is intended to (a) establish that the product is safe and efficacious for its intended use, (b) define contraindications, warnings, precautions and adverse reactions that are associated with the product in the dosage range to be prescribed, and (c) support Regulatory Approval for such product, or a similar clinical study prescribed by the relevant Regulatory Authorities in a country other than the United States.

1.74 " **Product Biological and Chemical Materials** " means any and all compositions of matter, cells, cell lines, assays, Biomarkers and any other physical, biological or chemical materials, that are related to, or useful for, any Licensed Compound, Licensed Product or Licensed Diagnostic Products (or the Development, Manufacture or Commercialization thereof), including physical embodiments of such Licensed Compound, Licensed Product or Licensed Diagnostic Products.

1.75 " **Prosecution and Maintenance** " or " **Prosecute and Maintain** " means, with regard to a Patent, the preparation, filing, prosecution and maintenance of such Patent, as well as

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re-examinations, reissues, appeals, and requests for patent term adjustments and patent term extensions with respect to such Patent, together with the initiation or defense of interferences, oppositions, inter partes review, re-examinations, post-grant proceedings and other similar proceedings (or other defense proceedings with respect to such Patent, but excluding the defense of challenges to such Patent as a counterclaim in an infringement proceeding) with respect to the particular Patent, and any appeals therefrom. For clarification, "Prosecution and Maintenance" or "Prosecute and Maintain" will not include any other enforcement actions taken with respect to a Patent.

1.76 " **Registrational Clinical Trial** " means a Clinical Trial that is prospectively designed to support an MAA without a further Clinical Trial being required. Notwithstanding the foregoing, [...***...].

1.77 " **Regulatory Approval** " means all approvals, licenses and authorizations of the applicable Regulatory Authority legally required for the marketing and sale of a biological, pharmaceutical or diagnostic product for a particular Indication in a country or region in the world, and including the approvals by the applicable Regulatory Authority of any expansion or modification of the label for such Indication. For clarity, pricing and reimbursement approvals shall not be considered Regulatory Approvals.

1.78 " **Regulatory Authority** " means any national or supranational Governmental Authority, including the U.S. Food and Drug Administration (and any successor entity thereto) (the " **FDA** ") in the U.S., the European Medicines Agency (and any successor entity thereto) (the " **EMA** ") the in EU and the Ministry of Health, Labour and Welfare of Japan, or the Pharmaceuticals and Medical Devices Agency of Japan (or any successor to either of them) as the case may be (the " **MHLW** ") in Japan, or any health regulatory authority in any country or region that is a counterpart to the foregoing agencies, in each case, that holds responsibility for development and commercialization of, and the granting of Regulatory Approval for, a biological, pharmaceutical or diagnostic product, as applicable, in such country or region.

1.79 " **Regulatory Exclusivity** " means, with respect to any country in the Celgene Territory, any additional marketing rights or data exclusivity rights conferred by any Regulatory Authority with respect to a Licensed Product other than Patents, which confers an exclusive commercialization period during which Celgene, its Affiliates or Sublicensees have the exclusive right to market and sell a Licensed Product in such country, including rights conferred in the United States under 42 U.S.C. §262 or rights similar thereto outside the United States.

1.80 " **Regulatory Materials** " means the regulatory registrations, applications, authorizations and approvals (including INDs, MAAs, supplements and amendments, pre- and post-approvals, pricing and reimbursement approvals, and labeling approvals), Regulatory Approvals and other regulatory submissions made to or with any Regulatory Authority for the research, development (including the conduct of Clinical Trials), manufacture, or commercialization of a biological, pharmaceutical or diagnostic product in a regulatory jurisdiction, together with all related correspondence to or from any Regulatory Authority and all documents referenced in the complete regulatory chronology for each MAA, including all Drug Master Files (if any), INDs and supplements and foreign equivalents of any of the foregoing. The Regulatory Materials will include the Existing Regulatory Materials.

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1.81 " **Reimbursable Development Costs** " means, with respect to a given Basket Study, those Development Costs incurred by BeiGene (or its Affiliate, as applicable) that are [...***...], unless [...***...]. For the avoidance of doubt, any Development Costs that are [...***...].

1.82 " **Royalty Term** " means, on a Licensed Product-by-Licensed Product and country-by-country (in the Celgene Territory) basis, the period of time commencing on the First Commercial Sale of such Licensed Product in such country and expiring on the later of (a) expiration of the last Valid Claim that Covers the composition of matter (for clarity, which may include formulation, purity or similar claims) or a method of use of such Licensed Product in such country of sale, (b) the expiration of Regulatory Exclusivity for such Licensed Product in the country of sale; or (c) twelve (12) years after First Commercial Sale of such Licensed Product in such country.

1.83 " **SA** " means scientific advice that has been agreed to with the EMA.

1.84 " **Single Agent Regimen** " means, with respect to a given Licensed Product for a given Indication, intended use of such Licensed Product alone for such Indication, and not as part of a combination therapy (including concomitant or sequential therapy), either (a) in a Clinical Trial for such Licensed Product for such Indication as set forth in the protocol for such Clinical Trial or (b) for commercial sale for such Indication as set forth in the approved label for such Licensed Product.

1.85 " **SPA** " means a special protocol assessment agreed to with the FDA.

1.86 " **Sublicensee** " means, with respect to Celgene, a Third Party to whom Celgene has granted a sublicense under the BeiGene IP pursuant to this Agreement, to Develop, Manufacture and Commercialize Licensed Compounds and Licensed Products in the Field throughout the Celgene Territory, but excluding any Third Party acting as a distributor and excluding BeiGene (and its Affiliates and licensees).

1.87 " **Successful Outcome** " means, with respect to a given Clinical Trial, that the final clinical study report for such Clinical Trial has been prepared and shows that the primary endpoints for such Clinical Trial as set forth in the protocol for such Clinical Trial (or other endpoints mutually agreed upon by the Parties in writing specifically to determine success of such Clinical Trial) have been met.

1.88 " **Superior Product** " means a Licensed Product with Label Superiority, as determined on a country-by-country basis.

1.89 " **Supply Price** " means (a) [...***...], (b) [...***...] in connection with any other Development activities under this Agreement, and (c) [...***...] for clinical supply; but in the case of (b) and (c) until the [...***...] anniversary of the Effective Date, [...***...].

1.90 " **Third Party** " means any Person other than BeiGene or Celgene that is not an Affiliate of BeiGene or of Celgene.

1.91 " **Third Party Claim** " means any and all suits, claims, actions, proceedings or demands brought by a Third Party.

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1.92 " **Third Party Damages** " means all losses, costs, claims, damages, liabilities and expense asserted by Third Parties against a Party (or the BeiGene Indemnitees or Celgene Indemnitees, as applicable) under a Third Party Claim (including reasonable attorneys' fees and other reasonable out-of-pocket costs of litigation in connection with the Third Party Claim); provided that no Party will be liable to hold harmless or indemnify the other Party (or the BeiGene Indemnitees or Celgene Indemnitees, as applicable) for any losses, costs, claims, damages, liabilities and expense for indirect, incidental, consequential, special, punitive or exemplary damages (including lost profits or lost revenues), except to the extent such other Party (or the BeiGene Indemnitees or Celgene Indemnitees, as applicable) is actually liable to the Third Party for such indirect, incidental, consequential, special, punitive or exemplary damages (including lost profits or lost revenues) in connection with the Third Party Claim.

1.93 " **United States** " or " **U.S.** " means the United States of America and all of its territories and possessions.

1.94 " **Valid Claim** " means a claim of an issued patent within the BeiGene Patents or the Joint Patents (for clarity, including issued patents during the duration of any patent term extension) that has not expired, lapsed, been cancelled or abandoned, or been dedicated to the public, disclaimed, or held unenforceable, invalid, revoked or cancelled by a court or administrative agency of competent jurisdiction in an order or decision from which no appeal has been or can be taken, including through opposition, reexamination, reissue, disclaimer, inter partes review, post grant procedures or similar proceedings.

1.95 " **Violation** " means that a Party or any of its officers or directors or any other personnel of such Party (or other permitted agents of such Party performing activities hereunder, including any of such Party's Affiliates, sublicensees or Third Party contractors and their respective officers and directors) has been: (a) convicted of any of the felonies identified among the exclusion authorities listed on the U.S. Department of Health and Human Services, Office of Inspector General (OIG) website, including 42 U.S.C. 1320a-7(a) (http://oig.hhs.gov/exclusions/authorities.asp); (b) identified in the OIG List of Excluded Individuals/Entities (LEIE) database (http://exclusions.oig.hhs.gov/) or the U.S. General Services Administration's list of Parties Excluded from Federal Programs (http://www.epls.gov); or (c) listed by any U.S. federal agency as being suspended, debarred, excluded or otherwise ineligible to participate in federal procurement or non-procurement programs, including under 21 U.S.C. 335a (http://www.fda.gov/ora/compliance_ref/debar/) (each of (a), (b) and (c) collectively the " **Exclusions Lists** ").

1.96 Additional Definitions . Each of the following terms has the meaning described in the corresponding section of this Agreement indicated below:

Definition:	**Section:**
Acquired Competing Product	7.5.3
Agreement	Preamble
Alliance Manager	2.2.2
Amended Execution Date	Preamble
Antitrust Clearance Date	15.2
Antitrust Counsel Only Material	15.2

Definition:	Section:
Audited Party	8.8.2
Auditing Party	8.8.2
[...***...] Agreement	7.5.2(c)
Bankruptcy Code	7.6
Basket Program Development Budget	3.2.1
Basket Program Development Plan	3.2.1
Basket Study Label Approval	8.3.1(c)
BeiGene	Preamble
BeiGene Assumed Patent	9.2.2
BeiGene Basket Study	3.2.1
BeiGene Combination Study	3.5
BeiGene Controlled Patent	9.2.3
BeiGene Core Patents	9.2.1
BeiGene Indemnitees	12.1
BeiGene Invention	9.1.2
BeiGene Territory Grant	3.3.5(a)
BeiGene Territory Grant Notice	3.3.5(a)
BeiGene Territory ROFN	3.3.5(a)
BeiGene Territory ROFN Period	3.3.5(b)
BeiGene Territory ROFN Terms	3.3.5(b)
Biosimilar Application	9.3.9(b)
Celgene	Preamble
Celgene Collaboration Patents	1.19
Celgene Controlled Patents	9.2.1
Celgene Corp.	Preamble
Celgene Indemnitees	12.2
Celgene LLC	Preamble
Celgene Termination Know-How	13.5.1
Celgene Termination Patents	13.5.1
Clinical Superiority Milestone	8.4.1
Combination Product	1.64
Cure Period	13.2.1
Development Milestone Payment	8.4.1
Disclosing Party	10.1
Disputes	14.7.1
DOJ	15.2
Effective Date	15.2
Electronic Delivery	14.11
EMA	1.78
Essential IP Agreement	8.6.4(b)(i)
Essential Third Party IP	8.6.4(b)(i)
Exclusions Lists	1.95
Execution Date	Recitals
Existing Confidentiality Agreement	10.11
Existing Product Agreements	11.2.13

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Definition:	Section:
FDA	1.78
Final Development Cost Report	8.3.2
Force Majeure	14.3
FTC	15.2
GAAP	1.1
Heme Field Grant	3.4.6(a)
Heme Field Grant Notice	3.4.6(a)
Heme Field ROFN	3.4.6(a)
Heme Field ROFN Period	3.4.6(b)
Heme Field ROFN Terms	3.4.6(b)
[...***...]	2.3.1
Higher Multiplier Election	8.3.1(c)
HIPAA	1.56
HSR/Antitrust Filing	15.2
Human Materials	6.3
IFRS	1.1
Indemnitee	12.3
Indemnitor	12.3
Initial Two Basket Studies	2.2.1
JDC	2.2.3
JDC Chairperson	2.4.2
Joint Know-How	9.1.4
Joint Patents	9.1.4
JSC	2.2.1
JSC Chairperson	2.3.2
Label Superiority Milestone	8.4.1
Lead Basket Party	3.2.1
Licensed Assets	11.3.2(a)
Licensed Compound IP	10.2
Licensed Non-Compound IP	10.2
Lower Multiplier Election	8.3.1(b)
MHLW	1.78
Minimum Development Amount	3.1.2(b)
[...***...]	8.3.1(a)
[...***...]	8.3.1(d)
Officials	6.5
Original Agreement	Recitals
Other Product	1.28
Party or Parties	Preamble
Payment	6.5
PD-L1 Antagonist Grant	3.7(a)
PD-L1 Antagonist Grant Notice	3.7(a)
PD-L1 Antagonist ROFN	3.7(a)
PD-L1 Antagonist ROFN Negotiation Period	3.7(b)
PD-L1 Antagonist ROFN Period	3.7(a)

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Definition:	Section:
PD-L1 Antagonist ROFN Terms	3.7(b)
Per Licensed Product Annual Net Sales	8.6.1
Pharmacovigilance Agreement	4.7.1
PHI	6.3
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ARTICLE 2
OVERVIEW; GOVERNANCE

2.1 Overview. Subject to the terms and conditions of this Agreement, and as further provided in Article 2.3.5, (a) Celgene will have the right to Develop, Manufacture and Commercialize Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Field in the Celgene Territory, (b) BeiGene will retain the right to Develop, Manufacture and Commercialize Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Field in the BeiGene Territory, subject to Celgene's BeiGene Territory ROFN as set forth in Section 3.3.5 and PD-L1 Antagonist ROFN as set forth in Section 3.7, (c) BeiGene will retain the right to Develop, Manufacture and Commercialize Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Heme Field in the Celgene Territory and the BeiGene Territory, subject to Celgene's Heme Field ROFN as set forth in Section 3.4.6, and (d) the Parties will collaborate on certain Basket Studies for the Licensed Product for Basket Indications as set forth in Section 3.2. This Agreement shall not restrict either Party from Developing, Manufacturing or Commercializing Other Products for Combination Regimens anywhere in the World, including seeking a label in a Regulatory Approval for such Other Product for use in a Combination Regimens and Commercializing such Other Product under such label. However, for clarity, the right to Develop, Manufacture and Commercialize an Other Product in a Combination Regimen does not imply any right to Develop, Manufacture or Commercialize the Licensed Product for such Combination Regimen, which rights shall be solely as set forth in the licenses and retained rights set forth expressly in this Agreement.

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

2.2 Governance .

2.2.1 JSC . Pursuant to this Section 2.2, the Parties will establish a joint steering committee (the " **JSC** ") within the timeframes set forth in Section 2.3.1. The JSC will be a forum for discussion, review and coordination regarding the Development and Manufacture of Licensed Compounds, Licensed Products and Licensed Diagnostic Products by the Parties in the Celgene Territory and the BeiGene Territory, in the Field, but will solely have decision-making authority with respect to amendments to the Basket Program Development Plan and Basket Program Development Budget. For clarity, the Parties must mutually agree on the initial Basket Program Development Plan and Basket Program Development Budget. Each Party hereby agrees that the first two Basket Studies shall be [...***...] (" **Study 1** ") and [...***...] (" **Study 2** ") described in the synopsis and with the overall budget attached as Annex 1 and 2, respectively, to Exhibit B (Study 1 and Study 2, the " **Initial Two Basket Studies** "), and that [...***...] shall be the Lead Basket Party for such Basket Studies. The synopses and overall budgets included in Annex 1 and Annex 2 to Exhibit B have been attached for informational purposes only to ensure that [...***...]. As the Lead Basket Party for the Initial Two Basket Studies, [...***...] is the responsible party with regard to conducting the Initial Two Basket Studies, but shall not be obligated to conduct such studies. Furthermore, Celgene [...***...] of (a) [...***...], pursuant to Section 8.3.1(a) or 8.3.1(b), or (b) [...***...]. [...***...] Upon the occurrence of either (a) or (b), Celgene will be obligated to reimburse BeiGene for the Reimbursable Development Costs of the applicable BeiGene Basket Studies in accordance with the cost-sharing provisions set forth in Section 8.3. As of the Execution Date, and prior to the Effective Date, [...***...].

2.2.2 Alliance Managers . Promptly after the Effective Date, each Party will appoint an individual to act as alliance manager for such Party, which may be one of the representatives of such Party on the JSC (each, an " **Alliance Manager** "). The Alliance Managers will be the primary point of contact for the Parties regarding the activities contemplated by this Agreement and will facilitate all such activities hereunder. The Alliance Managers will attend all meetings of the JSC and will be responsible for assisting the JSC in performing its oversight responsibilities. The name and contact information for each Party's Alliance Manager, as well as any replacement(s) chosen by such Party, in its sole discretion, from time to time, will be promptly provided to the other Party in accordance with Section 14.2.

2.2.3 Additional Committees . The Parties shall form a joint development committee (" **JDC** ") as further set forth below and a joint commercialization committee sufficiently in advance of Commercialization of Licensed Product and may form additional committees for discussion, review and coordination regarding the Development, Manufacture and/or Commercialization of Licensed Compounds, Licensed Products and Licensed Diagnostic Products, with responsibilities and procedures agreed to by the Parties, but such committees will have no decision-making authority.

2.3 Joint Steering Committee .

2.3.1 Establishment; Meetings . As soon as practical (in no case later than [...***...] days after the Effective Date), the Parties will establish the JSC as more fully described in this Section 2.3. The JSC will be a forum for discussion, review and coordination regarding the Development and Manufacture of Licensed Compounds, Licensed Products and Licensed

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Diagnostic Products in the Celgene Territory and the BeiGene Territory, in the Field, and in connection therewith, each Party agrees to keep the JSC informed, on a summary level, of its progress and activities with respect thereto. The first scheduled meeting of the JSC will be held as soon as practicable (in no case later than [...***...] days after establishment of the JSC) unless otherwise agreed by the Parties. After the first scheduled meeting of the JSC and until the JSC is disbanded, the JSC will meet in person or telephonically at least once [...***...], or more or less frequently as the Parties mutually deem appropriate, on such dates and at such places and times as provided herein or as the Parties will agree, provided the JSC will meet at least once [...***...] in person. The JSC will disband upon the expiration or termination of this Agreement in its entirety. Meetings that are held in person will be at such locations as the Parties may agree. The members of the JSC may also convene or be consulted from time to time by means of telecommunications, video-conferences, electronic mail or correspondence, as deemed necessary or appropriate. Each Party will bear all expenses it incurs in regard to participating in all meetings of the JSC, including all travel and living expenses. For clarity, [...***...].

2.3.2 Membership. The JSC will be composed of [...***...] representatives (or such other number of representatives as the Parties may mutually agree) from each of Celgene and BeiGene (who will be employees of such Party or its Affiliates). Each representative of a Party will have sufficient seniority and expertise to participate on the JSC as determined in such Party's reasonable judgment. The chairperson of the JSC (the " **JSC Chairperson** ") will alternate between the parties on an annual basis. Each Party may replace any or all of its representatives on the JSC at any time upon written notice to the other Party in accordance with Section 14.2. Each Party may, subject to the other Party's prior approval, invite non-member representatives of such Party and any Third Party to attend meetings of the JSC as non-voting participants; provided that any such representative or Third Party is bound by obligations of confidentiality, non-disclosure and non-use consistent with those set forth in Article 9 prior to attending such meeting.

2.3.3 Specific Responsibilities. In addition to the JSC's general discussion, review and coordination regarding the Development and Manufacture of Licensed Compounds, Licensed Products and Licensed Diagnostic Products, the JSC will in particular, discuss the following:

(a) review and approve each Basket Program Development Plan and Basket Program Development Budget; provided, that, for clarity, [...***...]. For clarity, the synopses of Study 1 and Study 2 have been attached for informational purposes only to ensure that [...***...]. In regard to Study 1 and Study 2, [...***...] will use reasonable efforts to incorporate comments from [...***...]'s review into protocol amendments for Study 1 and Study 2, assuming that these amendments do not materially affect the study design or result in material delays to the study timelines;

(b) the Parties' Development activities with respect to Basket Studies, including matters related to progress, timelines, status, safety and budget;

(c) high level information regarding the supply chain for Licensed Compound and Licensed Product including back-up mandatory sites and the ability to meet forecasted demand (unless and until provided for in the applicable Supply Agreement);

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(d) Celgene's Development activities (other than Basket Studies) with respect to Licensed Products or Licensed Diagnostic Products, including Clinical Trials; ;

(e) Clinical Trials for Licensed Products or Licensed Diagnostic Products to be conducted in the BeiGene Territory, other than in the Heme Field (provided that safety data relating to Clinical Trials in the Heme Field shall be within the remit of the JSC);

(f) Amendments to the Basket Program Development Plan and Basket Program Development Budget;

(g) discuss specific requirements to demonstrate [...***...] for each Licensed Product Developed hereunder by or on behalf of Celgene or its Affiliates or Sublicensees (which must be mutually agreed by the Parties and are not subject to JSC approval); and

(h) the expansion of the responsibilities of the JSC as mutually agreed by the Parties.

2.3.4 Agenda; Minutes . The JSC's Chairperson or the JSC Chairperson's delegate will be responsible for: (a) preparing JSC meeting agendas reasonably in advance of JSC meetings, which JSC meeting agendas will include all agenda items reasonably requested by any JSC member for inclusion therein; (b) sending invitations and a JSC meeting agenda along with appropriate information for such agenda to all members of the JSC at least [...***...] days before the next scheduled meeting of the JSC; and (c) preparing and circulating minutes within [...***...] days after each meeting of the JSC setting forth, among other things, a description, in reasonable detail, of the discussions at the meeting. Such minutes will be effective only after being approved by both Parties. Definitive minutes of all JSC meetings will be finalized no later than [...***...] after the meeting to which the minutes pertain.

2.3.5 Dispute Resolution . If the JSC does not reach a resolution with respect to any issue (including a Basket Program Development Plan, a Basket Program Development Budget, or any amendments thereto), then the dispute shall first be referred to the Executive Officers of the Parties, who shall confer in good faith on the resolution of the issue. Any final decision mutually agreed to by the Executive Officers with respect to such issue shall be conclusive and binding on the Parties. If the Executive Officers are not able to agree on whether such Basket Program Development Plan, Basket Program Development Budget, or amendment should be made within [...***...] after such issue was first referred to them, then, (a) if with respect to the initial Basket Program Development Plan or Basket Program Development Budget, such Basket Program Development Plan or Basket Program Development Budget shall not be approved and the associated Basket Study shall not commence, (b) if with respect to such an amendment and such amendment is based solely on specific requirements by a Regulatory Authority and is commercially reasonable to implement, such amendment shall be approved and (c) if with respect to such an amendment and not covered by clause (b) above, then the Executive Officer of the Party responsible, at the time that the amendment is being considered, for bearing the costs of the Basket Program being amended shall finally and definitively resolve such issue; provided, that, if the Party conducting such Basket Program agrees in writing to assume all costs associated with such amendment (notwithstanding any other provision of this Agreement to the contrary), the

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conducting Party may proceed with the activities under such amendment (subject to the other terms of this Agreement).

2.4 Joint Development Committee .

2.4.1 Establishment; Meetings . As soon as practical (in no case later than [...***...] days after the Effective Date), the Parties will establish the JDC as more fully described in this Section 2.4. The JDC will be a forum for discussion, review and coordination regarding the Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Celgene Territory and the BeiGene Territory, in the Field, and in connection therewith, each Party agrees to keep the JDC informed, on a summary level, of its progress and activities with respect thereto. The first scheduled meeting of the JDC will be held as soon as practicable (in no case later than [...***...] days after establishment of the JDC) unless otherwise agreed by the Parties. After the first scheduled meeting of the JDC until the JDC is disbanded, the JDC will meet in person or telephonically at least once each [...***...], or more or less frequently as the Parties mutually deem appropriate, on such dates and at such places and times as provided herein or as the Parties will agree, provided the JDC will meet at least once per [...***...] in person. The JDC will disband upon mutual agreement of the Parties or if there are no additional Basket Development Programs to be conducted under this Agreement. Meetings that are held in person will be at such locations as the Parties may agree. The members of the JDC may also convene or be consulted from time to time by means of telecommunications, video-conferences, electronic mail or correspondence, as deemed necessary or appropriate. Each Party will bear all expenses it incurs in regard to participating in all meetings of the JDC, including all travel and living expenses. For clarity, BeiGene shall not be required to disclose any information concerning its activities in the Heme Field (other than information relating to safety), and the foregoing coordination and responsibilities below are solely for purposes of the Field and Celgene is not enabling, and will not enable, BeiGene or its Affiliates with respect to the Heme Field during [...***...].

2.4.2 Membership . The JDC will be composed of [...***...] representatives (or such other number of representatives as the Parties may mutually agree) from each of Celgene and BeiGene (who will be employees of such Party or its Affiliates). Each representative of a Party will have sufficient seniority and expertise to participate on the JDC as determined in such Party's reasonable judgment. The chairperson of the JDC (the " **JDC Chairperson** ") will alternate between the parties on an annual basis. Each Party may replace any or all of its representatives on the JDC at any time upon written notice to the other Party in accordance with Section 14.2. Each Party may, subject to the other Party's prior approval, invite non-member representatives of such Party and any Third Party to attend meetings of the JDC as non-voting participants; provided that any such representative or Third Party is bound by obligations of confidentiality, non-disclosure and non-use consistent with those set forth in Article 10 prior to attending such meeting.

2.4.3 Specific Responsibilities . In addition to the JDC's general discussion, review and coordination regarding the Development of Licensed Compounds, Licensed Products and Licensed Diagnostic Products, the JDC will in particular:

(a) Prepare and present to the JSC for approval, each Basket Program Development Plan and Basket Program Development Budget and any amendments thereto; provided, that, [...***...]. For clarity, the synopses of Study 1 and Study 2 have been attached for

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informational purposes only to [...***...]. In regard to Study 1 and Study 2, [...***...] would use reasonable efforts to incorporate comments from [...***...]'s review into protocol amendments for Study 1 and Study 2, assuming that these amendments do not materially affect the study design or result in material delays to the study timelines;

(b) serve as a forum for discussing the Parties' Development activities with respect to Basket Studies, including matters related to progress, timelines, status, and safety;

(c) serve as a forum for discussing Celgene's Development activities (other than Basket Studies) with respect to Licensed Products or Licensed Diagnostic Products, including Clinical Trials;

(d) serve as a forum for discussing Clinical Trials for Licensed Products or Licensed Diagnostic Products to be conducted in the BeiGene Territory in the Field;

(e) discuss specific requirements to demonstrate Clinical Superiority for each Licensed Product Developed hereunder by or on behalf of Celgene or its Affiliates or Sublicensees (which must be mutually agreed by the Parties and are not subject to JDC approval); and

(f) such additional responsibilities as provided for by the JSC.

2.4.4 Agenda; Minutes . The JDC Chairperson or the JDC Chairperson's delegate will be responsible for: (a) preparing JDC meeting agendas reasonably in advance of JDC meetings, which JDC meeting agendas will include all agenda items reasonably requested by any JDC member for inclusion therein; (b) sending invitations and a JDC meeting agenda along with appropriate information for such agenda to all members of the JDC at least [...***...] before the next scheduled meeting of the JDC; and (c) preparing and circulating minutes within [...***...] after each meeting of the JDC setting forth, among other things, a description, in reasonable detail, of the discussions at the meeting. Such minutes will be effective only after being approved by both Parties. Definitive minutes of all JDC meetings will be finalized no later than [...***...] after the meeting to which the minutes pertain.

2.4.5 Dispute Resolution . If the JDC does not reach a resolution with respect to an amendment to the Basket Program Development Budget, then the dispute shall first be referred to the JSC for resolution, subject to Section 2.3.5.

ARTICLE 3
DEVELOPMENT, MANUFACTURE AND COMMERCIALIZATION

3.1 Development, Manufacturing and Commercialization in the Celgene Territory in the Field .

3.1.1 Generally . From and after the Effective Date, Celgene will have the sole right (and sole control over, at its discretion), at its expense (other than with respect to Basket Studies, for which costs shall be shared as set forth in Section 3.2.6), itself or with or through its Affiliates, sublicensees or other Third Parties, to Develop, Manufacture and Commercialize Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Celgene

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Territory for use in the Field (other than with respect to Basket Studies as set forth Section 3.2 and BeiGene Combination Studies as set forth in Section 3.5 and multiregional trials conducted pursuant to the terms of this Agreement). Subject to Sections 3.2 (with respect to Basket Studies), 3.5 (with respect to BeiGene Combination Studies) and 3.1.4 (with respect to Manufacturing by BeiGene for supply to Celgene), and except as set forth in Section 7.1.1, BeiGene and its Affiliates will not have any right to, and will not, conduct any Development, Manufacture or Commercialization of any Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the Celgene Territory for use in the Field. For the avoidance of doubt, Celgene's rights with respect to the Licensed Compounds, Licensed Products and Licensed Diagnostic Products include (a) the use of the foregoing as a Single Agent Regimen, a Combination Regimen or otherwise, and (b) the right to conduct Development and Manufacturing of the Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the BeiGene Territory, provided that such Licensed Compounds, Licensed Products and Licensed Diagnostic Products are intended for Commercialization in the Field in the Celgene Territory.

3.1.2 Diligence .

(a) Celgene, directly or with or through its Affiliates, sublicensees or other Third Parties, will use Commercially Reasonable Efforts to (i) develop at least one Licensed Product in the Celgene Territory in the Field, (ii) pursue an MAA for Licensed Product in each of the Major Markets in the Field, and (iii) following receipt of all applicable Regulatory Approvals, introduce at least one Licensed Product into commercial markets in each of the Major Markets in the Field.

(b) In furtherance of Celgene's obligations as set forth in Section 3.1.2(a), provided that the Parties have agreed that Celgene shall be the Lead Basket Party for Basket Studies with a cumulative budget of at least the Minimum Development Amounts (defined below) and have agreed upon the corresponding Basket Program Development, Celgene, directly or with or through its Affiliates, sublicensees or other Third Parties, will spend at least One Hundred Million Dollars ($100,000,000) (the " **Minimum Development Amount** ") during [...***...] after the Effective Date on clinical Development of Licensed Product ([...***...]) pursuant to Basket Studies for which Celgene has assumed primary responsibility as set forth in Section 3.2; provided that (i) if there is a clinical hold with respect to one or more Basket Studies for which Celgene is the Lead Basket Party, such [...***...] period shall be extended by the duration of the clinical hold and (ii) such obligation to spend the Minimum Development Amount is subject to Celgene having sufficient supply of Licensed Compound. Such Basket Studies shall be initiated prior to the [...***...] anniversary of the Effective Date. Celgene's reimbursement obligations under Section 8.3 will not count towards the Minimum Development Amount. Celgene will provide written reports on its aggregate expenditures against the Minimum Development Amount to BeiGene every [...***...] until the Minimum Development Amount has been fully expended.

3.1.3 Reports . Celgene will provide the JSC with written reports summarizing its (and its Affiliates' and licensees') Development (including any Clinical Trials) activities for Licensed Compound, Licensed Product and Licensed Diagnostic Product for use in the Field. Such reports will be furnished every [...***...]. Each such report will include the following information for each Licensed Product: (a) a summary of the Development activities conducted during the previous [...***...] in reasonable detail, including Clinical Trials and material regulatory activity,

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(b) a summary of the Development activities then-anticipated to be conducted during the next [...***...] in reasonable detail, including Clinical Trials and material regulatory activity, and (c) such other information as the JSC may reasonably request related thereto; provided that in all cases Celgene will not be required to report any information related to any Other Products. Celgene will promptly provide to BeiGene copies of all data generated from the conduct of any Clinical Trials of Licensed Product conducted by Celgene for use in the Field; provided that Celgene will not be required to provide any such data to the extent related to any Other Products.

3.1.4 Manufacturing . The Parties will negotiate in good faith and enter into clinical and commercial manufacturing and supply agreements and associated quality agreements (collectively, the " **Supply Agreements** ") pursuant to which BeiGene (or its Affiliate) will manufacture (or have manufactured) and supply to Celgene quantities of Licensed Compound and Licensed Product as and to the extent requested by Celgene, which supply, with respect to clinical supply only, will be provided to Celgene at the Supply Price. The Parties agree to use good-faith efforts to negotiate the clinical Supply Agreement promptly after the Execution Date with the objective of entering into a definitive clinical Supply Agreement [...***...]. BeiGene covenants that it will supply sufficient quantities of Licensed Product to Celgene for Clinical Trials for at least [...***...] for a period of [...***...] after Effective Date. Without limiting the terms of the clinical Supply Agreement, in all cases, the commercial Supply Agreement shall be entered into no later than the [...***...] anniversary of the Effective Date. For clarity, subject to Laws, the commercial Supply Agreement may be structured as separate agreements of each Party with a CMO, or a joint agreement between the Parties and a CMO, as may be agreed by the Parties, in order to increase efficiencies of scale and ensure an adequate primary and potentially a secondary source of supply. BeiGene shall ensure that all such Licensed Compounds and Licensed Products shall be Manufactured in accordance with cGMP and Laws, as well as in accordance with the specifications for the applicable Licensed Compound or Licensed Product, and shall not be adulterated or misbranded within the meaning of any Law of any applicable jurisdiction. In all cases, at the request of Celgene, Celgene shall have the right to audit, and BeiGene shall ensure Celgene has the right to audit, any facilities involved in the Manufacture of Licensed Compound or Licensed Product.

3.1.5 Structuring Registrational Clinical Trial for Showing Clinical Superiority . Prior to conducting any Registrational Clinical Trial intended to show Clinical Superiority, the Parties must mutually agree in writing upon the [...***...] and must mutually agree in writing upon any amendments thereto once initially approved. If the Parties cannot agree upon the [...***...], then [...***...] shall not be due.

3.2 Basket Studies .

3.2.1 General . Notwithstanding that Celgene has the right to conduct Development activities (including Registrational Clinical Trials) for Licensed Product in the Field for the Celgene Territory as set forth in Section 3.1, and BeiGene has the right to conduct Development activities (including Registrational Clinical Trials) for Licensed Product in the Field for the BeiGene Territory as set forth in Section 3.3, the Parties desire to collaborate on the conduct of between five (5) and eight (8) global Registrational Clinical Trials of Licensed Product for certain Basket Indications in the Field, the titles of which are included in Exhibit B (*Basket Program High-Level Plan*), and additional details of which will be set forth in a written

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development plan (the " **Basket Program Development Plan** ") and budget for Development Costs for such Basket Study (the " **Basket Program Development Budget** "). Upon mutual written agreement, the Parties may exchange one or more of the Basket Studies identified on Exhibit B for an alternative Basket Study. The Basket Program Development Plan and Basket Program Development Budget will be prepared by the JDC and submitted to the JSC for approval. If the JSC does not agree on the Basket Program Development Plan or Basket Program Development Budget, neither Party shall commence the associated Basket Study. If the Parties agree upon the Basket Program Development Plan and the Basket Program Development Budget, then Celgene will indicate whether it wishes to conduct the Basket Study or whether BeiGene will conduct the Basket Study. The Party designated by Celgene to conduct the Basket Study will be the " **Lead Basket Party** " and, if BeiGene is conducting the Basket Study, such Basket Study shall be referred to as a " **BeiGene Basket Study** "). The Basket Program Development Plan will set forth the activities to be conducted by the Lead Basket Party with respect to each Basket Study; provided that, in all cases, Celgene will be responsible, at its expense, for leading the filings with regulatory agencies for each Basket Study in the Celgene Territory and that BeiGene will be responsible, at its expense, for leading the filings with regulatory agencies for each Basket Study in the BeiGene Territory. As of the Execution Date, the Parties have agreed that [...***...] will be the Lead Basket Party for the Initial Two Basket Studies. As the Lead Basket Party for the Initial Two Basket Studies, [...***...] is the responsible party with regard to conducting the Initial Two Basket Studies, but shall not be obligated to conduct such studies. Notwithstanding anything to the contrary, a Licensed Product shall not achieve [...***...], and no [...***...] shall be paid based on the results of [...***...].

3.2.2 Study Design for Basket Studies. The Lead Basket Party will be responsible for preparing a study design (subject to the Basket Study Development Plan and Basket Study Development Budget) for each Basket Study and presenting it (and any amendments thereto) to the JDC for review; provided that the JSC shall have decision-making authority over such amendments, with any disputes resolved pursuant to Section 2.3.5.

3.2.3 Conduct of Basket Studies . Once the Lead Basket Party for a given indication is designated as provided for in Section 3.2.1, the Lead Basket Party will be responsible for all aspects of study conduct of the given Basket Study. The Lead Basket Party for a given Basket Study will use Commercially Reasonable Efforts to design and conduct the Development activities for such Basket Study in accordance with the Basket Program Development Plan, under the processes set forth in the joint Development Committee charter; provided that [...***...]. With respect to a given Basket Study, the Lead Basket Party will only conduct those activities for such Basket Study as set forth in, and consistent with, the Basket Program Development Plan, and will not conduct other Development activities for such Basket Study; provided that the Lead Basket Party shall have operational control and operational decision-making authority with respect to such Basket Study for the specific activities allocated to the Lead Basket Party under the Basket Program Development Plan. The non-Lead Basket Party shall have no right to, and shall not, conduct the Basket Study, unless specific activities for such Basket Study are expressly allocated to the non-Lead Basket Party in the Basket Program Development Plan. Notwithstanding the foregoing, in the event that BeiGene is the Lead Basket Party for a given Basket Study and Celgene determines, in its reasonable discretion, that a given activity under such Basket Study is reasonably likely to pose a Material Safety Issue, then Celgene will have the right to notify BeiGene thereof

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in writing and thereafter BeiGene will not (and will cause its Affiliates and licensees not to) conduct such activity under such Basket Study.

3.2.4 Amendments to the Basket Program Development Plan . Each Party will have the right, from time-to-time, to propose amendments to then-current Basket Program Development Plan to the JDC, including the proposal of additional Registrational Clinical Trials and amendments to existing Basket Studies under the Basket Program Development Plan (each, a " **Proposed Basket Amendment** "). The JDC will discuss in good faith each Proposed Basket Amendment, and if the Proposed Basket Amendment is mutually agreed to by the JDC through the JSC, then the Basket Program Development Plan will automatically be deemed to be updated as so agreed to by the Parties. If the Parties do not agree on the Proposed Basket Amendment, then the dispute resolution terms of Section 2.3.5 shall apply. Without limiting the foregoing, unless otherwise mutually agreed to by the Parties in writing, the only Clinical Trials to be included under the Basket Program Development Plan are Registrational Clinical Trials. For the avoidance of doubt, no additional studies may be added under the Basket Program Development Plan unless mutually agreed to by the Parties in writing, and a Proposed Basket Amendment in connection therewith is approved by the Parties as set forth in this Section 3.2.4.

3.2.5 Reports . The JDC is responsible for providing a report to the JSC every [...***...]. Each such report will include the following information for each Basket Study: (a) a summary of the Development activities conducted during the previous [...***...] in reasonable detail, (b) a summary of the Development, activities then-anticipated to be conducted during the next [...***...] in reasonable detail, (c) information related to progress, timelines, status, and safety and such other information as the JSC may reasonably request, and (d) solely with respect to reports by BeiGene, (i) a detailed (on a line item basis) report of the Development Costs incurred by BeiGene (and its Affiliates) during the previous quarter as well as during the life of the Basket Study to date, broken down on a Basket Study-by-Basket Study basis and (ii) a detailed (on a line item basis) estimate of the Development Costs expected to be incurred by BeiGene (and its Affiliates) during the next [...***...] (broken down by quarter) as well as an aggregate estimate of additional Development Costs expected to be incurred by BeiGene (or its Affiliate) through completion of the Basket Study, in each case, broken down on a Basket Study-by-Basket Study basis. In addition, the Lead Basket Party will promptly provide to the other Party the final clinical trial report for such Basket Study when available. Without limiting the provisions of Article 5 each Party will promptly provide to the other Party copies of all data generated from the conduct of any Basket Studies.

3.2.6 Costs of Basket Studies . Except as otherwise set forth in Section 8.3, each Party will be responsible for any and all costs it (or its Affiliate) incurs in connection with its performance of Basket Studies.

3.3 Development, Manufacturing and Commercialization in the BeiGene Territory in the Field .

3.3.1 Generally . Subject to the terms and conditions of this Agreement, BeiGene retains the right, at its expense, to Commercialize Licensed Compounds, Licensed Products and Licensed Diagnostic Products in in the Field in the BeiGene Territory, and, subject to Section 3.5,

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to Develop (to the extent needed to conduct multiregional Clinical Trials and run-in studies) and Manufacture Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Field in the Celgene Territory and the BeiGene Territory for Commercialization in the BeiGene Territory and no rights are granted hereunder by BeiGene to Celgene to Develop, Manufacture and Commercialize Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the BeiGene Territory for sale in the Field (or any other field) in the BeiGene Territory. For clarity, (a) except with respect to any obligations of Celgene for a Basket Study, Celgene will not be responsible for Clinical Trials or any other Development activities needed for the Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the BeiGene Territory and (b) subject to Section 7.1.1 and the other terms and conditions hereof, Celgene (or its Affiliates or sublicensees) may Develop or Manufacture in the BeiGene Territory for Commercialization in the Celgene Territory in the Field.

3.3.2 Reports. BeiGene will provide the JSC with written reports describing its (and its Affiliates' and licensees') Development (including any Clinical Trials) and supply chain related activities for Licensed Compound, Licensed Product and Licensed Diagnostic Product for use in the Field. Such reports will be furnished every [...***...]. Each such report will include the following information for each Licensed Compound, Licensed Product and Licensed Diagnostic Product: (a) a summary of the Development activities conducted during the previous [...***...], including Clinical Trials and material regulatory activity, (b) a summary of the Development and supply chain related activities then-anticipated to be conducted during the next [...***...], including Clinical Trials and material regulatory activity, and (c) such other information as the JSC may reasonably request; provided that BeiGene will not be required to provide any such data to the extent related to any Other Product.

3.3.3 Coordination. Notwithstanding the foregoing provisions of this Section 3.3, subject to Law, BeiGene will discuss in good faith and coordinate with Celgene, through the JSC, with respect to BeiGene's (and its Affiliates' and licensees') Development (including any Clinical Trials), Manufacturing and Commercialization activities for Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the BeiGene Territory (including notifying Celgene in writing reasonably in advance prior to the commencement of any Clinical Trial by or on behalf of BeiGene (or its Affiliates and licensees) and providing to Celgene the protocol for such Clinical Trial). BeiGene will consider in good faith and reasonably address Celgene's input and comments with respect thereto. Without limiting the foregoing, in the event that Celgene determines, in its reasonable discretion, that a given Development (including any Clinical Trial), Manufacturing or Commercialization activity for Licensed Compound, Licensed Product or Licensed Diagnostic Products in the BeiGene Territory is reasonably likely to pose a Material Safety Issue, then Celgene will have the right to notify BeiGene thereof in writing and consult with BeiGene in connection therewith, and thereafter BeiGene will not (and will cause its Affiliates and licensees not to) conduct the applicable Development (including any Clinical Trial), Manufacturing or Commercialization activity. Without limiting the provisions of Article 5, BeiGene will promptly provide to Celgene copies of all data generated from Development activities (including Clinical Trials) for Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the BeiGene Territory; provided that BeiGene will not be required to provide any such data to the extent related to any Other Product.

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3.3.4 Activities in Other Party's Territory.

(a) Ex-BeiGene Territory Activities . BeiGene hereby covenants and agrees that it will not (and will cause its Affiliates, sublicensees and subcontractors not to), either directly or indirectly, market, knowingly distribute or knowingly sell Licensed Compound, Licensed Product or Licensed Diagnostic Product into countries in the Celgene Territory for use in the Field. Without limiting the generality of the foregoing, with respect to countries in the Celgene Territory, BeiGene will not (i) engage in any advertising activities relating to the Licensed Compound, Licensed Product or Licensed Diagnostic Product for use in the Field directed solely to customers located in such countries, or (ii) solicit orders for Licensed Compound, Licensed Product or Licensed Diagnostic Product for use in the Field from any prospective purchaser located in countries in the Celgene Territory. If BeiGene (or any of its Affiliates, licensees or subcontractors) knows that a customer or distributor, or a customer's distributor or customer, is engaged in the intentional sale or intentional distribution of any Licensed Compound, Licensed Product or Licensed Diagnostic Product outside of the BeiGene Territory for use in the Field, then BeiGene will (A) promptly notify Celgene regarding such activities and provide all information that Celgene may request concerning such activities and (B) take all reasonable steps (including cessation of sales to such customer) necessary to limit such sale or distribution outside the BeiGene Territory.

(b) Ex-Celgene Territory Activities . Celgene hereby covenants and agrees that it will not (and will cause its Affiliates, sublicensees and subcontractors not to), either directly or indirectly, market, knowingly distribute or knowingly sell Licensed Compound, Licensed Product or Licensed Diagnostic Product into countries in the BeiGene Territory in any field. Without limiting the generality of the foregoing, with respect to countries in the BeiGene Territory, Celgene will not (i) engage in any advertising activities relating to the Licensed Compound, Licensed Product or Licensed Diagnostic Product directed solely to customers located in such countries, or (ii) solicit orders for Licensed Compound, Licensed Product or Licensed Diagnostic Product from any prospective purchaser located in countries in the BeiGene Territory. If Celgene (or any of its Affiliates, licensees or subcontractors) knows that a customer or distributor, or a customer's distributor or customer, is engaged in the intentional sale or intentional distribution of any Licensed Compound, Licensed Product or Licensed Diagnostic Product outside of the Celgene Territory for use in the Field, then Celgene will (A) promptly notify BeiGene regarding such activities and provide all information that BeiGene may request concerning such activities and (B) take all reasonable steps (including cessation of sales to such customer) necessary to limit such sale or distribution outside the Celgene Territory.

3.3.5 Celgene Right of First Negotiation in the BeiGene Territory .

(a) BeiGene will promptly notify Celgene in writing (and in all cases prior to the consummation of any transaction or entering into any agreement in connection therewith) (a " **BeiGene Territory Grant Notice** ") in the event that BeiGene (or any of its Affiliates) intends to, directly or indirectly, sublicense, assign, transfer, convey or grant other rights (however structured, including through license, collaboration, co-promotion or other disposition of assets or rights) to a Third Party with respect to any Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the BeiGene Territory or any portion of the BeiGene Territory, including any rights with respect to the Development or Commercialization of any

Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the BeiGene Territory (or in any portion of the BeiGene Territory) (each, a " **BeiGene Territory Grant** "). The BeiGene Territory Grant Notice will include a reasonably detailed description of the geographic scope and intellectual property rights included in the BeiGene Territory Grant. Celgene will have the right, in its discretion, to negotiate with BeiGene the terms under which Celgene would obtain the rights to the BeiGene Territory Grant (each, a " **BeiGene Territory ROFN** "). If Celgene desires to exercise such BeiGene Territory ROFN, Celgene will notify BeiGene thereof in writing within [...***...] after receipt of the applicable BeiGene Territory Grant Notice. The provisions of this Section 3.3.5 shall not apply with respect to (i) the Heme Field, (ii) Manufacturing, (iii) ordinary course distribution agreements that BeiGene enters into for a portion (but not substantially all) of the BeiGene Territory, or (iv) with respect to the acquisition of BeiGene by a Third Party (by merger, purchase of assets, stock acquisition or otherwise).

(b) If Celgene exercises such BeiGene Territory ROFN in accordance with Section 3.3.5(a), then BeiGene (and its Affiliates) will negotiate in good faith exclusively with Celgene for a period of at least [...***...] (or such longer period as agreed to by the Parties in writing) (the " **BeiGene Territory ROFN Period** ") the terms under which Celgene would obtain the rights to the BeiGene Territory Grant (the " **BeiGene Territory ROFN Terms** "), and, if the Parties agree to the BeiGene Territory ROFN Terms, the Parties will, prior to the end of the BeiGene Territory ROFN Period, negotiate in good faith and, if they reach mutual agreement, enter into (but subject to Celgene's and BeiGene's respective final management approval which can be given in their absolute discretion) a definitive agreement regarding the BeiGene Territory Grant on the BeiGene Territory ROFN Terms as agreed to by the Parties.

(c) In all cases, in the event that BeiGene (or its Affiliates) grants any BeiGene Territory Grant to a Third Party, BeiGene will ensure that (and will require that the Third Party agrees as part of the definitive agreements with respect to such BeiGene Territory Grant that) (i) any Know-How discovered, invented, made, conceived or reduced to practice by or on behalf of such Third Party in connection with or pursuant to the BeiGene Territory Grant that is necessary or useful for the Development, Manufacture or Commercialization of Licensed Compound, Licensed Product or Licensed Diagnostic Product in the Celgene Territory in the Field is either owned by BeiGene or exclusively licensed to BeiGene such that such Know-How is included in the BeiGene Know-How hereunder (and all Patents claiming or covering such Know-How are included in the BeiGene Patents hereunder), (ii) such Third Party will be required to comply with all applicable provisions of this Agreement, including Sections 4.5, 4.6 and 4.7, and this Section 3.3.5 and (iii) BeiGene will not share any Confidential Information of Celgene with such Third Party.

(d) For the avoidance of doubt, the provisions of this Section 3.3.5 shall apply separately (but only once) for each proposed BeiGene Territory Grant by BeiGene or its Affiliate.

3.4 Development, Manufacturing and Commercialization in the Heme Field .

3.4.1 Generally . Subject to the terms and conditions of this Agreement, BeiGene retains the right, at its expense, to Develop, Manufacture and Commercialize Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the BeiGene Territory and

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the Celgene Territory for sale in the Heme Field, and, except as otherwise set forth in Section 3.4.5(b) , no rights are granted hereunder by BeiGene to Celgene to Develop, Manufacture and Commercialize Licensed Compounds, Licensed Products and Licensed Diagnostic Products for sale in the Heme Field. For clarity, Celgene will not be responsible for Clinical Trials or any other Development activities needed for Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Heme Field.

3.4.2 Product Differentiation . Without limiting Section 3.4.1, BeiGene and Celgene will use Commercially Reasonable Efforts to by ensure that (a) no uses in the Field are included in any product packaging, labeling or promotional materials for such Licensed Product that is Developed or Commercialized by BeiGene (or its Affiliates or licensees) for use in the Heme Field, (b) no uses in the Heme Field are included in any product packaging, labeling or promotional materials for such Licensed Product that is Developed or Commercialized by Celgene (or its Affiliates or licensees) for use in the Field, and (c) the Licensed Products Commercialized by BeiGene (or its Affiliates or licensees), on the one hand, and by Celgene (or its Affiliates or licensees) on the other hand, are Commercialized under different trademarks and trade dress.

3.4.3 Reports . After [...***...], BeiGene will provide the JSC with written reports describing its (and its Affiliates' and licensees') progress with respect to its Development (including any Clinical Trials) activities for Licensed Compound, Licensed Product and Licensed Diagnostic Product for use in the Heme Field. Such reports will be furnished every [...***...]. Each such report will include the following information for each Licensed Compound, Licensed Product and Licensed Diagnostic Product: (a) a summary of the Development, Manufacturing and Commercialization activities conducted during the previous [...***...] in reasonable detail, including Clinical Trials and material regulatory activity, (b) a summary of the Development and Commercialization activities then-anticipated to be conducted during the next [...***...] in reasonable detail, including Clinical Trials and material regulatory activity, and (c) such other information as the JSC may reasonably request provided that BeiGene will not be required to provide any such data to the extent related to any Other Product.

3.4.4 [*Intentionally Omitted*]

3.4.5 Ex-Heme Field and Ex-Field Activities .

(a) BeiGene hereby covenants and agrees that it will not (and will cause its Affiliates, sublicensees and subcontractors not to), either directly or indirectly, market, knowingly distribute or knowingly sell, advertise or promote Licensed Compound, Licensed Product or Licensed Diagnostic Product in the Celgene Territory for use outside the Heme Field. Without limiting the generality of the foregoing, BeiGene will not (i) engage in any advertising activities relating to Licensed Compound, Licensed Product or Licensed Diagnostic Product in the Celgene Territory directed to use outside the Heme Field, or (ii) solicit orders from any prospective purchaser located in the Celgene Territory for Licensed Compound, Licensed Product or Licensed Diagnostic Product for use outside the Heme Field. If BeiGene (or any of its Affiliates, licensees or subcontractors) knows that a customer or distributor, or a customer's distributor or customer, is engaged in the intentional sale or intentional distribution, or any marketing, advertisement or promotion of any Licensed Compounds, Licensed Products or Licensed Diagnostic Product in the Celgene Territory for use outside the Heme Field, then BeiGene will (A) promptly notify Celgene

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regarding such activities and provide all information that Celgene may request concerning such activities and (B) take all reasonable steps (including cessation of sales to such customer) necessary to limit such marketing, advertisement or promotion outside the Heme Field.

(b) Celgene hereby covenants and agrees that it will not (and will cause its Affiliates, sublicensees and subcontractors not to), either directly or indirectly, market, advertise or promote Licensed Compound, Licensed Product or Licensed Diagnostic Product anywhere in the world for use in the Heme Field. Without limiting the generality of the foregoing, Celgene will not (i) engage in any advertising activities relating to Licensed Compound, Licensed Product or Licensed Diagnostic Product directed to use in the Heme Field, or (ii) solicit orders from any prospective purchaser for Licensed Compound, Licensed Product or Licensed Diagnostic Product for use in the Heme Field. If Celgene (or any of its Affiliates, licensees or subcontractors) knows that a customer or distributor, or a customer's distributor or customer, is engaged in the marketing, advertisement or promotion of any Licensed Compounds, Licensed Products or Licensed Diagnostic Product for use in the Heme Field, then Celgene will (A) promptly notify BeiGene regarding such activities and provide all information that BeiGene may request concerning such activities and (B) take all reasonable steps (including cessation of sales to such customer) necessary to limit such marketing, advertisement or promotion in the Heme Field.

3.4.6 Celgene Right of First Negotiation in Heme Field .

(a) BeiGene will promptly notify Celgene in writing (and in all cases prior to the consummation of any transaction or entering into any agreement in connection therewith) (a " **Heme Field Grant Notice** ") in the event that BeiGene (or any of its Affiliates) intends to, directly or indirectly, sublicense, assign, transfer, convey or grant other rights (however structured, including through license, collaboration, co-promotion or other disposition of assets or rights) to a Third Party with respect to any Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the Heme Field in the Celgene Territory, including any rights with respect to the Development or Commercialization of any Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the Heme Field (each, a " **Heme Field Grant** "). The Heme Field Grant Notice will include a reasonably detailed description of the geographic scope and intellectual property rights included in the Heme Field Grant. Celgene will have the right, in its discretion, to negotiate with BeiGene the terms under which Celgene would obtain the rights to the Heme Field Grant (each, a " **Heme Field ROFN** "). If Celgene desires to exercise such Heme Field ROFN, Celgene will notify BeiGene thereof in writing within [...***...] after receipt of the applicable Heme Field Grant Notice. The provisions of this Section 3.4.6 shall not apply with respect to (i) Manufacturing, (ii) ordinary course distribution agreements that BeiGene enters into for a portion (but not substantially all) of the BeiGene Territory, or (iii) with respect to the acquisition of BeiGene by a Third Party (by merger, purchase of assets, stock acquisition or otherwise).

(b) If Celgene exercises such Heme Field ROFN in accordance with Section 3.4.6(a), then BeiGene (and its Affiliates) will negotiate in good faith exclusively with Celgene for a period of at least [...***...] (or such longer period as agreed to by the Parties in writing) (the " **Heme Field ROFN Period** ") the terms under which Celgene would obtain the rights to the Heme Field Grant (the " **Heme Field ROFN Terms** "), and, if the Parties agree to the Heme Field ROFN Terms, the Parties will, prior to the end of the Heme Field ROFN Period, negotiate in good faith and, if they reach mutual agreement, enter into (but subject to Celgene's and

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BeiGene's respective final management approval which can be given in their absolute discretion) a definitive agreement regarding the Heme Field Grant on the Heme Field ROFN Terms as agreed to by the Parties.

(c) In all cases, in the event that BeiGene (or its Affiliates) grants any Heme Field Grant to a Third Party, BeiGene will ensure that (and will require that the Third Party agrees as part of the definitive agreements with respect to such Heme Field Grant that) (i) any Know-How discovered, invented, made, conceived or reduced to practice by or on behalf of such Third Party in connection with or pursuant to the Heme Field Grant that is necessary or useful for the Development, Manufacture or Commercialization of Licensed Compound, Licensed Product or Licensed Diagnostic Product in the Celgene Territory in the Field is either owned by BeiGene or exclusively licensed to BeiGene such that such Know-How is included in the BeiGene Know-How hereunder (and all Patents claiming or covering such Know-How are included in the BeiGene Patents hereunder), (ii) such Third Party will be required to comply with all applicable provisions of this Agreement, including Sections 4.5, 4.6, 4.7 and 4.8, and this Section 3.4.5(b) and (iii) BeiGene will not share any Confidential Information of Celgene with such Third Party.

(d) For the avoidance of doubt, the provisions of Section 3.4.5(b) shall apply separately for each proposed Heme Field Grant by BeiGene or its Affiliate.

3.5 BeiGene Combination Research in the Celgene Territory with other BeiGene Products . Subject to the terms of this Section 3.5, BeiGene will have the right (by itself, or with or through any Third Party) to conduct Development (including multiregional Clinical Trials and related prerequisite Clinical Trials) in the Celgene Territory of the Licensed Product for use in combination with another BeiGene proprietary pipeline product(s) (the " **BeiGene Combination Studies** "). If BeiGene desires to conduct any such BeiGene Combination Studies, it will notify Celgene in writing via the JSC. Unless Celgene objects in writing to the conduct of the proposed BeiGene Combination Study on the grounds that there is a Material Safety Issue, including supplying BeiGene with reasonable supporting evidence for such objection, BeiGene (itself, or with or through any Third Party) may thereafter conduct such BeiGene Combination Study; provided, however, that in the event that Celgene thereafter determines, in its reasonable discretion, that such BeiGene Combination Study is reasonably likely to pose a Material Safety Issue, then Celgene will have the right to notify BeiGene thereof in writing (with reasonable evidence concerning the Material Safety Issue) and, following consultation BeiGene will cease (and will cause its Affiliates or relevant Third Party to cease) the conduct of such BeiGene Combination Study. Without limiting the provisions of Article 5, BeiGene will promptly provide to Celgene copies of all data generated from the conduct of any BeiGene Combination Study; provided that BeiGene will not be required to provide any such data to the extent related to any Other Product.

3.6 Subcontracting . Subject to the terms of this Agreement, each Party will have the right to engage Affiliates and Third Party subcontractors to perform its obligations and other activities under this Agreement. The Party engaging such Affiliate or Third Party subcontractor will ensure that such Affiliate or subcontractor will meet the qualifications typically required by such Party for the performance of work similar in scope and complexity to the subcontracted activity and will perform such work consistent with the terms of this Agreement; provided, however, that any Party engaging an Affiliate or Third Party subcontractor hereunder will remain

fully responsible and obligated for such activities. The Party engaging an Affiliate or Third Party subcontractor will ensure that such Affiliate or Third Party subcontractor, as applicable, complies with all applicable provisions of this Agreement for the activities being conducted by such Affiliate or Third Party subcontractor. Each Party hereby expressly waives any requirement that the other Party exhaust any right, power or remedy, or proceed against any subcontractor for any obligation or performance hereunder, prior to proceeding directly against such Party.

3.7 Celgene Right of First Negotiation for PD-L1 Antagonist .

(a) Prior to [...***...] (the " **PD-L1 Antagonist ROFN Period** "), BeiGene will promptly notify Celgene in writing (and in all cases prior to the consummation of any transaction or entering into any agreement in connection therewith) (a " **PD-L1 Antagonist Grant Notice** ") in the event that BeiGene (or any of its Affiliates) intends to, directly or indirectly, sublicense, assign, transfer, convey or grant other rights (however structured, including through license, collaboration, co-promotion or other disposition of assets or rights) to a Third Party with respect to any PD-L1 Antagonist, including any rights with respect to the Development or Commercialization of any PD-L1 Antagonist or products containing a PD-L1 Antagonist for the field of oncology (each, a " **PD-L1 Antagonist Grant** "). The PD-L1 Antagonist Grant Notice will include a reasonably detailed description of the geographic scope and intellectual property rights included in the PD-L1 Antagonist Grant. Celgene will have the right, in its discretion, to negotiate with BeiGene the terms under which Celgene would obtain the rights to the PD-L1 Antagonist Grant (each, a " **PD-L1 Antagonist ROFN** "). If Celgene desires to exercise such PD-L1 Antagonist ROFN, Celgene will notify BeiGene thereof in writing within [...***...] after receipt of the applicable PD-L1 Antagonist Grant Notice. The provisions of this Section 3.7 shall not apply with respect to (i) the Heme Field during [...***...], (ii) Manufacturing, (iii) ordinary course distribution agreements that BeiGene enters into for a portion (but not substantially all) of the BeiGene Territory, or (iv) with respect to the acquisition of BeiGene by a Third Party (by merger, purchase of assets, stock acquisition or otherwise).

(b) If Celgene exercises such PD-L1 Antagonist ROFN in accordance with Section 3.7(a), then BeiGene (and its Affiliates) will negotiate in good faith exclusively with Celgene for a period of at least [...***...] (or such longer period as agreed to by the Parties in writing) (the " **PD-L1 Antagonist ROFN Negotiation Period** ") the terms under which Celgene would obtain the rights to the PD-L1 Antagonist Grant (the " **PD-L1 Antagonist ROFN Terms** "), and, if the Parties agree to the PD-L1 Antagonist ROFN Terms, the Parties will, prior to the end of the PD-L1 Antagonist ROFN Negotiation Period, negotiate in good faith and, if they reach mutual agreement, enter into (but subject to Celgene's and BeiGene's respective final management approval which can be given in their absolute discretion) a definitive agreement regarding the PD-L1 Antagonist Grant on the PD-L1 Antagonist ROFN Terms as agreed to by the Parties.

(c) For clarity, BeiGene's obligation to provide a PD-L1 Antagonist Grant Notice shall expire on [...***...], and Section 3.7(b) shall not apply after [...***...] except as to any PD-L1 Antagonist Grant Notice provided prior to [...***...].

(d) For the avoidance of doubt, the provisions of this Section 3.7 shall apply separately for each proposed PD-L1 Antagonist Grant by BeiGene or its Affiliate.

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ARTICLE 4
REGULATORY

4.1 General. During the Term, responsibility for overseeing, monitoring and coordinating regulatory actions, communications and filings with, and submissions to, all applicable Regulatory Authorities with respect to the Licensed Compounds, Licensed Products and Licensed Diagnostic Products will be allocated between the Parties as set forth in this Article 4. Notwithstanding anything to the contrary contained herein, nothing in this Agreement will prohibit or otherwise limit a Party (or its designees) from interacting with any Regulatory Authorities (including communications and other filings) with respect to Licensed Compound, Licensed Product or Licensed Diagnostic Product anywhere in the world and in any field in order to comply with Law, or otherwise in connection with patient safety.

4.2 [*Intentionally Omitted*]

4.3 Existing Regulatory Materials for Celgene Territory.

4.3.1 Transfer of Existing Regulatory Materials. Except to the extent that BeiGene is required by Law to retain ownership of Existing Regulatory Materials to perform its responsibilities or exercise its rights under this Agreement, or during any period that BeiGene is the Lead Basket Party for a Basket Study to which such Existing Regulatory Materials relate, at Celgene's request BeiGene will assign (and hereby does assign) and transfer (including providing true, accurate and complete hard and electronic copies) to Celgene (or its designee), or, to the extent not owned by BeiGene, will cause to be assigned and transferred to Celgene (or its designee), promptly after the Effective Date, any and all Existing Regulatory Materials, and thereafter Celgene (or its designee) will have the sole right, in its discretion, to file, maintain and hold title to, at its discretion, all Existing Regulatory Materials. With respect to any Existing Regulatory Materials initially retained by BeiGene for purposes of performing its responsibilities as the Lead Basket Party, BeiGene shall complete the assignment and transfer of such Existing Regulatory Materials to Celgene as soon as reasonably possible after Celgene's opt-in for such Basket Study pursuant to Section 8.3.1. Notwithstanding the foregoing, at the election of Celgene, Celgene may notify BeiGene in writing that it does not desire to take assignment and transfer of certain Existing Regulatory Materials (as so determined by Celgene) and in such case, BeiGene will not assign or transfer to Celgene (or its designee) such designated Existing Regulatory Materials; provided, however, that BeiGene shall not be required to keep such declined Existing Regulatory Materials up-to-date, in good standing or otherwise in effect. Subject to the applicable terms of this Agreement, BeiGene shall be permitted to make regulatory filings for Other Products in the Celgene Territory in order to conduct Clinical Trials that are required for Regulatory Approval of BeiGene Combination Regimens in the BeiGene Territory. For the sake of clarity, (a) BeiGene may cross reference (per Section 4.5.4(b)) Licensed Product INDs for the development of its Combination Regimens and (b) Celgene will be the Party responsible for filing the initial MAA and all subsequent filings with respect to Licensed Product in the Celgene Territory in the Field.

4.3.2 Right of Reference Prior to Transfer. Pending such time as the Existing Regulatory Materials are transferred and assigned to Celgene (or its designee), or in the event of failure to transfer and assign such Existing Regulatory Materials to Celgene (or its designee), as

required by Section 4.3.1, Celgene will have, and BeiGene hereby grants to Celgene, access and an exclusive right of reference (without any further action required on the part of BeiGene, whose authorization to file this right of reference with any Regulatory Authority is hereby granted), to all such Existing Regulatory Materials and all data contained in any Existing Regulatory Materials for Celgene to exercise its rights and perform its obligations hereunder. In all cases, Celgene will have access and the right to use all data contained in any Existing Regulatory Materials, and BeiGene will ensure that Celgene are afforded such access and rights.

4.3.3 Regulatory Matters for Existing Regulatory Materials Prior to Transfer. Notwithstanding the provisions of Section 4.4.1, until such time as a given Existing Regulatory Material is assigned and transferred to Celgene in accordance with Section 4.3.1, BeiGene will be responsible for all communications and interactions with Regulatory Authorities with respect to such Existing Regulatory Material; provided that, in connection with any such activities by BeiGene, (a) BeiGene will consult and coordinate with Celgene with respect thereto, (b) allow Celgene to attend or participate in any meetings or other interactions with Regulatory Authorities in connection therewith, (c) comply with any reasonable requests made by Celgene in connection therewith and (d) submit to Celgene a copy of any proposed filing and correspondence with any Regulatory Authority for Celgene's review and approval prior to submission thereof.

4.4 Regulatory Matters in the Celgene Territory in the Field.

4.4.1 Celgene Territory in the Field. Except for Existing Regulatory Materials prior to transfer to Celgene in accordance with Section 4.3.1 or in connection with Basket Studies for which BeiGene is the Lead Basket Party as set forth in Section 4.4.2, as between the Parties, all Regulatory Materials (including all Regulatory Approvals) for the Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the Celgene Territory for use in the Field will be owned by and held in the name of Celgene (or its designees). If Celgene determines that any regulatory filings for any Licensed Compounds, Licensed Products or Licensed Diagnostic Products are required for the Celgene Territory for use in the Field, including INDs, MAAs and other Regulatory Approvals (as applicable), then, except for Existing Regulatory Materials prior to transfer to Celgene in accordance with Section 4.3.1 or in connection with Basket Studies for which BeiGene is the Lead Basket Party as set forth Section 4.4.2, Celgene (or its designee) will have the sole right, in its discretion, to seek to obtain and maintain such regulatory filings (in its or its designee's name). In addition, except for Existing Regulatory Materials prior to transfer to Celgene in accordance with Section 4.3.1 or in connection with Basket Studies for which BeiGene is the Lead Basket Party as set forth in Section 4.4.2, Celgene (or its designee) will have the sole right to communicate and otherwise interact with Regulatory Authorities with respect to the Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the Celgene Territory for use in the Field, including with respect to any Regulatory Materials in connection therewith. BeiGene (and its Affiliates) will have no right to, and will not, make any regulatory filings related to any Licensed Compounds, Licensed Products or Licensed Diagnostic Products or otherwise interact with any Regulatory Authorities with respect to Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the Celgene Territory for use in the Field unless approved in writing by Celgene, in its sole discretion or as set forth below. At the request of Celgene, BeiGene will reasonably assist Celgene in communications and filings with Regulatory Authorities with respect to the Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Celgene Territory for use in the Field, including providing necessary

documents or other materials required by Law. Notwithstanding anything herein, BeiGene shall have the right to own and control Regulatory Materials with respect to any Clinical Trial in the Celgene Territory in the Field that BeiGene is permitted to conduct under this Agreement, and will have the sole right, in its discretion, to seek to obtain and maintain such regulatory filings (in its or its designee's name) and will have the sole right to communicate and otherwise interact with Regulatory Authorities with respect to the Licensed Compounds, Licensed Products or Licensed Diagnostic Products that are the subject of such Clinical Trials, and Regulatory Materials in connection therewith; provided that (a) upon BeiGene's completion of any Basket Study, at Celgene's request BeiGene will assign (and hereby does assign) and transfer (including providing true, accurate and complete hard and electronic copies) to Celgene (or its designee), or, to the extent not owned by BeiGene, will cause to be assigned and transferred to Celgene (or its designee), promptly after such request, any and all Regulatory Materials in the Territory in the Field related to such Basket Study, and thereafter Celgene (or its designee) will have the sole right, in its discretion, to file, maintain and hold title to, at its discretion, Regulatory Materials related to such Basket Study and (b) Celgene (or its designee) shall have the sole right, and BeiGene shall have no right, to file an MAA for any Licensed Product in the Territory in the Field.

4.4.2 Basket Studies Conducted by BeiGene . In the event that BeiGene is conducting a Basket Study as set forth in and pursuant to Section 3.2, all Regulatory Materials (including all INDs) relating to such Basket Study will be owned by and held in the name of BeiGene (or its designees) in the Celgene Territory and the BeiGene Territory, and in connection with Regulatory Materials in the Celgene Territory, the provisions of Section 4.4.1 will apply, *mutatis mutandis* . Notwithstanding the foregoing, (a) prior to Celgene's opt-in pursuant to Section 8.3.1 for a Basket Study that is being conducted by BeiGene, BeiGene shall consult with Celgene regarding the Regulatory Materials in the Celgene Territory, all decisions relating thereto by BeiGene shall be made solely based on the best interests of the Development program under which such Basket Study is being conducted, and BeiGene shall have final decision-making authority with respect thereto.

4.5 Regulatory Matters in the BeiGene Territory; Regulatory Matters in the Heme Field .

4.5.1 BeiGene Territory . As between the Parties, subject to the remaining provisions of this Section 4.5, all Regulatory Materials (including all Regulatory Approvals) for the Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the BeiGene Territory will be owned by, and held in the name of, BeiGene or its Affiliate. Subject to the remaining provisions of this Section 4.5, if BeiGene determines that any regulatory filings for any Licensed Compounds, Licensed Products or Licensed Diagnostic Products are required for the BeiGene Territory, including INDs, MAAs and other Regulatory Approvals (as applicable), then BeiGene (or its Affiliate) will have the sole right, in its discretion, to seek to obtain and maintain such regulatory filings (in its or its Affiliate's name). In addition, subject to the remaining provisions of this Section 4.5, BeiGene (or its Affiliate) will have the sole right to communicate and otherwise interact with Regulatory Authorities with respect to the Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the BeiGene Territory, including with respect to any Regulatory Materials in connection therewith.

4.5.2 Heme Field in Celgene Territory and BeiGene Territory . As between the Parties, subject to the remaining provisions of this Section 4.5, all Regulatory Materials (including all Regulatory Approvals) specifically and solely for the Licensed Compounds, Licensed Products or Licensed Diagnostic Products in the Heme Field in the Celgene Territory will be owned by, and held in the name of, BeiGene or its Affiliate. Subject to the remaining provisions of this Section 4.5, if BeiGene determines that any regulatory filings specifically and solely for any Licensed Compounds, Licensed Products or Licensed Diagnostic Products are required for the Heme Field in the Celgene Territory, including INDs, MAAs and other Regulatory Approvals (as applicable), then BeiGene (or its Affiliate) will have the sole right, in its discretion, to seek to obtain and maintain such regulatory filings (in its or its Affiliate's name). In addition, subject to the remaining provisions of this Section 4.5, BeiGene (or its Affiliate) will have the sole right to communicate and otherwise interact with Regulatory Authorities with respect to the Licensed Compounds, Licensed Products or Licensed Diagnostic Products specifically and solely for the Heme Field, including with respect to any Regulatory Materials in connection therewith.

4.5.3 Coordination . Each Party will provide the other Party with a reasonable opportunity to comment substantively on all material Regulatory Materials with respect to Licensed Compound, Licensed Product or Licensed Diagnostic Product prior to filing or taking material action in connection therewith, and the Party that has the right to control such Regulatory Materials will consider in good faith and reasonably address the other Party's input and comments with respect thereto, including with respect to filing strategy; provided that, if the non-controlling Party determines, in its reasonable opinion, that the failure to implement such comments is reasonably likely to pose a Material Safety Issue, then the controlling Party will address non-controlling Party's comments to the non-controlling Party's reasonable satisfaction. In addition, solely with respect to Basket Studies, the Lead Basket Party will allow the other Party or its representative to attend any and all meetings with Regulatory Authorities, and participate in all other material communications with Regulatory Authorities, to the extent such attendance or participation is permitted by such Regulatory Authority, in each case, with respect to Licensed Compound, Licensed Product or Licensed Diagnostic Product that are the subjects of such Basket Study. This Section 4.5.3 shall not apply with respect to the Heme Field during [...***...] or to the Other Product portion of any Combination Regimen, except, in each case, to the extent relating to safety matters).

4.5.4 Right of Reference .

(a) Celgene Right of Reference . With respect to any Regulatory Materials for any Licensed Compound, Licensed Product or Licensed Diagnostic Product held by or on behalf of BeiGene (or any of its Affiliates or licensees), Celgene (and its designees) will have, and BeiGene hereby grants to Celgene (and its designees), a right of reference (without any further action required on the part of BeiGene, whose authorization to file this right of reference with any Regulatory Authority is hereby granted) with the right to grant further rights of reference, to all such Regulatory Materials and all data contained in any such Regulatory Materials for Celgene (and its designees) to exercise its rights and perform its obligations hereunder. In all cases, Celgene (and its designees) will have access and a right to use all data contained in any such Regulatory Materials to the extent it relates to the Licensed Product and not any Other Product, and BeiGene will ensure that Celgene (and its designees) are afforded such access and rights. This Section 4.5.4 shall not apply with respect to the Heme Field during [...***...].

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

(b) BeiGene Right of Reference . With respect to any Regulatory Materials for any Licensed Compound, Licensed Product or Licensed Diagnostic Product held by or on behalf of Celgene (or any of its Affiliates or licensees), BeiGene (and its designees) will have, and Celgene hereby grants to BeiGene (and its designees), a right of reference (without any further action required on the part of BeiGene, whose authorization to file this right of reference with any Regulatory Authority is hereby granted) with the right to grant further rights of reference, to all such Regulatory Materials and all data contained in any such Regulatory Materials for BeiGene (and its designees) to exercise its rights and perform its obligations hereunder, for clarity, including the Development, Manufacture and Commercialization of Licensed Compound, Licensed Product or Licensed Diagnostic Product (i) only upon the expiry, if any, of [...***...], in the Heme Field anywhere in the world, and (ii) in the BeiGene Territory. In all cases, BeiGene (and its designees) will have access and a right to use all data contained in any such Regulatory Materials to the extent it relates to the Licensed Product and not any Other Product, and Celgene will ensure that BeiGene (and its designees) are afforded such rights.

4.6 Recalls . Each Party will promptly provide notice to the other Party (a) if it is considering withdrawing or recalling or taking similar action with respect to a Licensed Product (or Licensed Diagnostic Product) (a " **Recall** ") or (b) of any newly identified safety issue or safety signal related to a Licensed Product (or Licensed Diagnostic Product) or any circumstance arising in such Party's studies of a Licensed Product (or Licensed Diagnostic Product), in each case, for which the Party reasonably believes that an action warranting a Recall may be required to protect public health. Such notice will be given by telephone and e-mail (which notice will be provided [...***...], unless such recall involves an SAE, in which case, such notice will be provided [...***...]) and confirmed in writing promptly thereafter. The Parties will promptly meet (either in person or by teleconference or videoconference, or by other means as agreed to by the Parties) and discuss in good faith the reason the notifying Party is considering a Recall (including any safety issues or signals), the scope thereof and the process for undertaking such Recall (provided that such discussions do not delay any action to protect public health) and work in good faith to jointly implement a strategy and any actions that may be required to protect public health, including Recalling Licensed Product (or Licensed Diagnostic Product) in one or more countries. Notwithstanding the foregoing, as between the Parties, (i) Celgene will have the sole right to determine whether to implement, and will be solely responsible for implementing a Recall with respect to Licensed Product (or Licensed Diagnostic Product) in the Celgene Territory in the Field, and (ii) BeiGene will have the sole right to determine whether to implement, and will be solely responsible for implementing a Recall with respect to Licensed Product (or Licensed Diagnostic Product) (A) in the Celgene Territory solely in the Heme Field, and (B) in the BeiGene Territory. The Parties will reasonably cooperate in connection with Recalls of Licensed Product (or Licensed Diagnostic Product).

4.7 Pharmacovigilance .

4.7.1 Pharmacovigilance Agreement . Within [...***...] after the Effective Date, BeiGene and Celgene (or its applicable Affiliate(s)) will enter into a pharmacovigilance agreement (the " **Pharmacovigilance Agreement** ") in order to, among other things, coordinate safety matters, share safety information and allocate responsibilities for safety matters with respect to Licensed Product (and Licensed Diagnostic Product). Until such time as the Pharmacovigilance Agreement is entered into, BeiGene will transmit to Celgene all study-related serious adverse drug reactions

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(“ **SADRs** ”) and serious adverse events (“ **SAEs** ”) in patients exposed to Licensed Product (or Licensed Diagnostic Product, as applicable) as follows:

(a) For fatal and life-threatening SADRs, BeiGene will send a case notification to Celgene within [...***...] and a completely processed case (CIOMS-1 form) within [...***...];

(b) For all other SADRs, BeiGene will send a case notification Celgene within [...***...] and a completely processed case on a CIOMS-1 form within [...***...]; and

(c) For all unrelated SAEs, BeiGene will send a case notification to Celgene within [...***...] and a completely processed case on a CIOMS-1 form within [...***...].

4.7.2 Global Safety Database .

(a) As soon as reasonably practicable following the Effective Date, Celgene will establish and maintain in compliance with Law the global safety database for Licensed Compounds, Licensed Products and Licensed Diagnostic Products. BeiGene’s access to data from the global safety database shall be handled in accordance with the terms of the Pharmacovigilance Agreement. Until such time as Celgene establishes such global safety database, BeiGene will continue to be responsible for maintaining the global safety database for Licensed Compounds, Licensed Products and Licensed Diagnostic Products.

(b) During the Term and thereafter as required in order to comply with Law, each Party will provide the other Party with all information necessary or desirable for such other Party to comply with its pharmacovigilance responsibilities, including any adverse drug experiences, in each case in the form reasonably requested by such other Party.

4.8 Inability to Separate Regulatory Filings in the Celgene Territory . With respect to Licensed Product and Licensed Diagnostic Product in the Celgene Territory, the Parties anticipate having separate INDs and Regulatory Approvals for the use of Licensed Products (and Licensed Diagnostic Products) in the Field, on the one hand, and for use in the Heme Field, on the other, as set forth in Sections 4.4 and 4.5. The Parties will reasonably endeavor to obtain separate INDs and Regulatory Approvals for Products (and Licensed Diagnostic Products) in the Celgene Territory for use in the Field, on the one hand, and for use in the Heme Field, on the other. Notwithstanding the foregoing, in the event that, due to applicable legal or regulatory requirements, either Party cannot file for separate INDs or Regulatory Approvals in the Celgene Territory (or otherwise have separate responsibility in the Celgene Territory for a given regulatory filing and related submissions) for a Licensed Product (or Licensed Diagnostic Product, as applicable) in the Field with respect to Celgene, and in the Heme Field with respect to BeiGene, then the Parties will work together in good faith to address such situation and agree to any amendments to the provisions of this Article 4 as may be reasonably necessary to afford Celgene the rights in the Field and BeiGene the rights in the Heme Field.

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ARTICLE 5
TECHNOLOGY TRANSFER AND ASSISTANCE

5.1 General. During the Term, BeiGene will (and will cause its Affiliates to) cooperate with Celgene (and its designees) and provide reasonable assistance to Celgene (and its designees) to enable Celgene (and its designees) to Develop, Manufacture and Commercialize Licensed Compounds, Licensed Products and Licensed Diagnostic Products for the Celgene Territory for use in the Field, as and to the extent requested by Celgene, including providing Celgene (and its designees) with reasonable access by teleconference or in-person to BeiGene personnel (and personnel of its Affiliates and Third Party contractors) involved in the Development or Manufacture of Licensed Compounds, Licensed Products or Licensed Diagnostic Products, to assist and answer questions related to the Licensed Compounds, Licensed Products and Licensed Diagnostic Products.

5.2 Specific Transition Assistance. Without limiting the provisions of Section 5.1, as soon as reasonably practicable following the Effective Date (but in all cases, within [...***...] after the Effective Date or such other period of time as agreed to by the Parties), and thereafter during the Term as may be reasonably requested by Celgene from time to time, BeiGene will (a) disclose to Celgene (and its designees) in English (including by providing hard and electronic copies thereof) all BeiGene Know-How, including any materials and documentation (including data and protocols) included therein and any other physical embodiments thereof, as well as all chemistry, manufacturing and control (CMC) information, data and materials related to Licensed Compound or Licensed Product, and (b) transfer to Celgene (and its designees) all Product Biological and Chemical Materials, as well as all other assays, reagents, research tools, compounds (including molecular constructs), cell lines, data, seeds (including pre-seeds, master seeds and working seeds), cell banks (including master cell banks and working cell banks), clones, primers, vectors, antibodies, serum samples and biological samples related to any Licensed Compounds, Licensed Products or Licensed Diagnostic Products, or otherwise useful for the Development, Manufacture or Commercialization thereof, and Celgene and its designees will have the full right to utilize all of the foregoing in connection with the Development, Manufacture or Commercialization of Licensed Compounds, Licensed Products and Licensed Diagnostic Products pursuant to this Agreement. Without limiting the foregoing, if any additional BeiGene Know comes under the Control of BeiGene (or its Affiliate) following the Effective Date, then BeiGene will promptly disclose such Know-How to Celgene, and the provisions of this Section 5.2 will apply in connection therewith. For clarity, BeiGene has the right to retain copies of materials (or reasonable quantities of physical materials) transferred hereunder in order to continue BeiGene's Development activities as contemplated in this Agreement.

5.3 Manufacturing Technology Transfer. Without limiting the provisions of Sections 5.1 and 5.2, during the Term as may be reasonably requested by Celgene from time to time, BeiGene will provide or cause to be provided (including from its Third Party contract manufacturers) to Celgene (and its designees), copies in English (in writing and in an electronic format) of all data, information and other Know-How in the possession of BeiGene (or any of its Affiliates or its Third Party contract manufacturers) that is related to the Manufacture of any Licensed Compounds, Licensed Products or Licensed Diagnostic Products, in order to enable Celgene (and its designees) to Manufacture the Licensed Compounds, Licensed Products or Licensed Diagnostic Products, including to replicate the process employed by or on behalf of

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BeiGene to Manufacture any Licensed Compounds or Licensed Products. Such transfer will include all process, analytical and formulation development data and methods, all technical memos, all analytical methods, all reference standards, all process evolution data and all batch records. In addition, as may be reasonably requested by Celgene from time to time, BeiGene will use Commercially Reasonable Efforts to cause its Third Party contract manufacturers to enter into such agreements with Celgene (and its designees) and take such other actions as are necessary to enable Celgene (and its designees) to Manufacture Licensed Compounds, Licensed Products or Licensed Diagnostic Product. In addition, at the request of Celgene from time to time, BeiGene will make its (and its Affiliates') employees and consultants (including personnel of its Third Party contract manufacturers) available to Celgene (and its designees) to provide reasonable consultation and technical assistance in order to ensure an orderly transition of the manufacturing technology and operations to Celgene (and its designees) and to assist Celgene (and its designees) in its Manufacture of any Licensed Compounds, Licensed Products and Licensed Diagnostic Products. The costs of the transfer under this Section 5.3 shall be borne by Celgene unless Celgene requests such transfer due to an actual or anticipated inability of BeiGene to supply cGMP compliant Licensed Compound or Licensed Product under this Agreement or any Supply Agreement.

5.4 Inventory Transfer . BeiGene will reasonably consider any requests by Celgene for the purchase of a portion of BeiGene's existing inventory of Licensed Compounds, Licensed Products and Licensed Diagnostic Products on a Cost-Plus basis, but BeiGene shall be under no obligation to enter into any agreement for such purchase.

5.5 [*Intentionally Omitted*]

5.6 Transition Plan . In order to facilitate certain transitions as contemplated in this Article 5, within [...***...] after the Effective Date, the Parties will establish in good faith a transition plan setting forth certain additional transition activities to be undertaken by or on behalf of BeiGene in order to fully transition the Development, Manufacture (if requested by Celgene) and Commercialization of Licensed Compounds, Licensed Products and Licensed Diagnostic Products for the Celgene Territory in the Field to Celgene (and its designees) (the " **Transition Plan** "). Once established, BeiGene will use Commercially Reasonable Efforts to expeditiously perform its activities under the Transition Plan.

ARTICLE 6
COMPLIANCE

6.1 General . Each Party will conduct, and will ensure that its Affiliates and Third Party contractors conduct, all activities hereunder, including all Development, Manufacturing and Commercialization of Licensed Compounds, Licensed Products and Licensed Diagnostic Products, in compliance with all Laws, including GCP, GLP and cGMP, as applicable. In addition, each Party hereby certifies to the other Party that it has not employed or otherwise used in any capacity, and will not employ or otherwise use in any capacity, the services of any Person (a) debarred under United States law (including Section 21 U.S.C. 335a) or any foreign equivalent thereof or (b) that is the subject of an FDA debarment investigation or proceeding (or similar proceeding by any Regulatory Authority outside the United States), in each case, in performing any portion of the activities hereunder, including any Development, Manufacturing or Commercialization of Licensed Compounds, Licensed Products and Licensed Diagnostic

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Products. Each Party will notify the other Party in writing immediately if any such debarment occurs or comes to its attention, and will, with respect to any Person so debarred promptly remove such Person from performing any such activities, function or capacity related to any such activities.

6.2 Animal Research . Without limiting the provisions of Section 6.1, if animals are used in research of Licensed Compounds, Licensed Products or Licensed Diagnostic Products, each Party will comply, and will ensure that its Affiliates and Third Party contractors comply, with the U.S. Animal Welfare Act and any other applicable Laws relating to the care and use of laboratory animals. Each Party encourages the other Party to use the highest standards, such as those set forth in the Guide for the Care and Use of Laboratory Animals (NRC, 1996), for the humane handling, care and treatment of such research animals. Any animals which are used in the course of the activities hereunder, or products derived from those animals, such as eggs or milk, will not be used for food purposes, nor will these animals be used for commercial breeding purposes.

6.3 Use of Human Materials . Without limiting the provisions of Section 6.1, if any human cell lines, tissue, human clinical isolates or similar human-derived materials (the " **Human Materials** ") are to be collected and/or used in the activities hereunder, each Party covenants (a) that it will comply, and will ensure that its Affiliates and Third Party contractors comply, with all Laws relating to the collection and/or use of the Human Materials and (b) that it has obtained, or will obtain, and will ensure that its Affiliates and Third Party contractors have obtained or will obtain, all necessary approvals and appropriate informed consents, in writing, for the collection and/or use of such Human Materials. Without limiting the foregoing, to the extent a Party (or its Affiliates) will be providing the other Party with access to Protected Health Information (" **PHI** "), as defined by HIPAA (or similar law outside the United States, as applicable), BeiGene agrees, represents and warrants that it has obtained or will obtain (prior to providing such PHI access to the other Party) from each such subject an authorization in compliance with HIPAA (or similar law outside the United States, as applicable) sufficient to allow the disclosing Party to provide such information to the other Party for access, license and use by the other Party as set forth herein, or, to the extent applicable, waiver of authorization from an institutional review board or privacy board.

6.4 Compliance with Ethical Business Practices . Each Party agrees to conduct the activities contemplated herein, and to ensure that its Affiliates, sublicensees, and Third Party contractors conduct the activities contemplated herein, in a manner consistent with both Law and good business ethics.

6.5 Governments and International Public Organizations . Without limiting the provisions of Section 6.1, each Party warrants that none of its employees, agents, officers or other members of its management (or any employees, agents, officers or other members of management of any of its Affiliates, sublicensees or Third Party contractors) are officials, officers, agents or representatives of any government or international public organization. Each Party agrees that it will not make any payment, and will ensure that its Affiliates, sublicensees, and Third Party contractors do not make any payment, either directly or indirectly, of money or other assets, including any compensation such Party derives from this Agreement (hereinafter collectively referred to as a " **Payment** "), to government or political party officials, officials of international public organizations, candidates for public office, or representatives of other businesses or persons

acting on behalf of any of the foregoing (hereinafter collectively referred to as " **Officials** ") where such Payment would constitute a violation of any Law. In addition, regardless of legality, each Party agrees that it will make no Payment, and will ensure that its Affiliates and Third Party contractors make no payment, either directly or indirectly to Officials if such Payment is for the purpose of influencing decisions or actions with respect to the subject matter of this Agreement or any other aspect of the other Party's business.

6.6 No Authority . Each Party acknowledges that no employee of the other Party or its Affiliates will have authority to give any direction, either written or oral, relating to the making of any commitment by such Party or its agents to any Third Party in violation of terms of this or any other provisions of this Agreement.

6.7 Exclusions Lists . Each Party will not use (and will cause its Affiliates and Third Party contractors not to use) any Person (including any employee, officer, director or Third Party contractor) who is (or has been) on the Exclusions Lists, or who is (or has been) in Violation, in the performance of any activities hereunder. Each Party certifies to the other Party that, as of the Execution Date, it has screened itself, and its officers and directors (and its Affiliates and their respective officers and directors) against the Exclusions Lists and that it has informed the other Party in writing whether it, or any of its officers or directors (or any of its Affiliates or any of their respective officers and directors) has been in Violation. After the execution of this Agreement, each Party will notify the other Party in writing immediately if any such Violation occurs or comes to its attention.

ARTICLE 7
LICENSE GRANT; CERTAIN COVENANTS

7.1 Licenses .

7.1.1 Grant by BeiGene . BeiGene hereby grants to Celgene an exclusive (even as to BeiGene and its Affiliates, subject to Section 7.7) right and license, with the right to grant sublicenses (through multiple tiers), under the BeiGene IP to (a) Develop, Manufacture (and have Manufactured) and Commercialize Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Celgene Territory for use in the Field (including as a Single Agent Regimen, as part of a Combination Regimen or otherwise) and (b) Develop and Manufacture (and have Manufactured) Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the BeiGene Territory solely for Commercialization in the Celgene Territory for use in the Field (including as a Single Agent Regimen, as part of a Combination Regimen or otherwise); provided, however, that the foregoing license (i) shall not prevent BeiGene, its Affiliates or any of their licensees from Manufacturing (or having Manufactured) Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Celgene Territory for (1) Commercialization in the BeiGene Territory or worldwide in the Heme Field, (2) Development pursuant to the terms of this Agreement, (3) Development of Other Products for Combination Regimens anywhere in the world, including seeking a label in a Regulatory Approval for such Other Product for use in a combination regimen and (4) supply to Celgene or its Affiliates pursuant to the terms of this Agreement or a Supply Agreement, and (ii) shall be non-exclusive with respect to those specific BeiGene Patents that Cover Combination Regimens solely for Manufacturing, Developing and Commercializing

Other Products. For the sake of clarity, the BeiGene Patents set forth on Schedule 1.12 for [...***...].

7.1.2 Grant by Celgene . Celgene hereby grants to BeiGene the non-exclusive right and license, with the right to grant sublicenses (through multiple tiers), under the Celgene Collaboration IP and the Celgene Proprietary IP to (a) Develop, Manufacture (and have Manufactured) and Commercialize Licensed Compounds and Licensed Products in the BeiGene Territory (including as a Single Agent Regimen, as part of a Combination Regimen or otherwise), and (b) Develop and Manufacture (and have Manufactured) Licensed Compounds, Licensed Products and Licensed Diagnostic Products in the Celgene Territory solely for Commercialization in the BeiGene Territory (including as a Single Agent Regimen, as part of a Combination Regimen or otherwise), in each case of the foregoing clauses (a) and (b) excluding the Heme Field during [...***...].

7.1.3 Other Products in Combination Regimens . Notwithstanding the foregoing, the licenses granted in Sections 7.1.1 and 7.1.2 respectively are not intended to restrict either Party from Developing, Manufacturing or Commercializing Other Products for Combination Regimens anywhere in the world, including seeking a label in a Regulatory Approval for such Other Product for use in a Combination Regimens and Commercializing such Other Product under such label. However, for clarity, the right to Develop, Manufacture and Commercialize an Other Product in a Combination Regimen does not in itself imply any right to Develop, Manufacture or Commercialize the Licensed Product for such Combination Regimen, which rights shall be solely as set forth in the licenses and retained rights set forth expressly in this Agreement.

7.2 No Implied Licenses . For purposes of clarity, each Party retains all rights under Know-How and Patents Controlled by such Party not expressly granted to the other Party pursuant to this Agreement. Except as explicitly set forth in this Agreement, neither Party will be deemed by estoppel or implication to have granted to the other Party any license or other right to any intellectual property of such Party.

7.3 Sublicenses and Third Party Licenses . A Party will have the right to sublicense (through multiple tiers) the licenses granted to it hereunder, including to Affiliates and Third Parties. Each license or sublicense of the BeiGene IP, Celgene Collaboration IP or Celgene Proprietary IP, shall be consistent with the applicable terms and conditions of this Agreement, and will require that the sublicensee or licensee agrees as part of the sublicense or license agreement that any Know-How discovered, invented, made, conceived or reduced to practice by or on behalf of such sublicensee or licensee in connection with the sublicense agreement that is necessary or useful for the Development, Manufacture or Commercialization of Licensed Compound, Licensed Product or Licensed Diagnostic Product is either owned by such Party or exclusively licensed to such Party such that such Know-How is included in the Celgene Collaboration IP, Celgene Proprietary IP or BeiGene IP, as applicable, hereunder (and all Patents claiming or covering such Know-How are included in the Celgene Collaboration IP, Celgene Proprietary IP or BeiGene IP, as applicable). The Party granting the sublicense hereunder will (i) notify the other Party of the name and address of the Affiliate or Third Party receiving the sublicense and, in the case of sublicenses to Third Parties, supply the other Party with a complete copy of the sublicense agreement (redacted only with respect to financial terms and sensitive commercial or technical information) five (5) Business Days after its execution; (ii) remain fully responsible and obligated

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for its obligations hereunder; and (iii) will be responsible for ensuring that the performance by any of its sublicensees hereunder that are exercising rights under a sublicense hereunder is in accordance with the applicable terms of this Agreement.

7.4 BeiGene Exclusivity .

7.4.1 General . During the Term, BeiGene and its Affiliates will not (and BeiGene will ensure that its Affiliates do not) directly or indirectly, (a) alone or with or for any Third Party research, develop, make, sell or otherwise commercialize any PD-1 Antagonist (or any product constituting, incorporating, comprising or containing any PD-1 Antagonist) for use in the Field in the Celgene Territory or (b) collaborate with, or otherwise authorize, license or grant any right to, any Third Party to research, develop, make, sell or otherwise commercialize any PD-1 Antagonist (or any product constituting, incorporating, comprising or containing any PD-1 Antagonist) for use in the Field in the Celgene Territory.

7.4.2 Exceptions . Notwithstanding the provisions of Section 7.4.1, the provisions of Section 7.4.1 will not apply to, and BeiGene and its Affiliates will not be prohibited under Section 7.4.1 from, (a) the conduct of Basket Studies for Licensed Product by BeiGene or its Affiliates to the extent set forth in, and in accordance with, Section 3.2, (b) the conduct of BeiGene Combination Studies by BeiGene or its Affiliates to the extent set forth in, and in accordance with, Section 3.5, (c) the conduct of multiregional Clinical Trials for purpose of registration or Commercialization of the Licensed Product in the BeiGene Territory; (d) Manufacturing Licensed Compound and Licensed Product by BeiGene for supply to Celgene to the extent set forth in, and in accordance with, Section 3.1.4, and to supply Clinical Trials that BeiGene is required or has the right to conduct in the Celgene Territory; (e) Developing, Manufacturing or Commercializing Other Products for Combination Regimens anywhere in the world, including seeking a label in a Regulatory Approval for such Other Product for use in a Combination Regimen (as defined in Section 7.5.2) with a PD-1 Antagonist and Commercializing such Other Product under such label, provided that BeiGene shall not Manufacture (other than for Celgene or its Affiliates under this Agreement or for BeiGene or its Affiliates in the BeiGene Territory or for the Heme Field) or Commercialize the PD-1 Antagonist component of such Combination Regimen (as defined in Section 7.5.2), or (f) engaging in any other activity that BeiGene is expressly permitted to do under Section 7.1.1.

7.5 Celgene Exclusivity – Competing Product .

7.5.1 General . During the Term, Celgene and its Affiliates will not (and Celgene will ensure that its Affiliates do not) directly (a) clinically develop any Competing Product in the Celgene Territory for use in the Field intended to obtain Regulatory Approval for such Competing Product in the Celgene Territory for use in the Field (i.e., conduct of a pivotal Registrational Clinical Trial intended to generate data for submission by Celgene (or its Affiliate) for Regulatory Approval of such Competing Product in the Celgene Territory for use in the Field, or (b) sell any Competing Product in the Celgene Territory labeled for use in the Field.

7.5.2 Exceptions . Notwithstanding the provisions of Section 7.5.1, the provisions of Section 7.5.1 will not apply to, and Celgene and its Affiliates will not be prohibited under Section 7.5.1 from:

(a) clinical Development intended for label expansion of an Other Product (that is not a Competing Product) for a Combination Regimen and even if reference to a Competing Product is included in the label for such Other Product;

(b) Developing or Commercializing Licensed Compounds, Licensed Products or Licensed Diagnostic Products pursuant to this Agreement;

(c) Developing or Commercializing any Competing Product (including any modifications or improvements thereof) to which Celgene (or its Affiliate) has rights pursuant to that certain agreement entered into among Celgene, [...***...] (the " **[...***...] Agreement** "); and/or

(d) Developing or Commercializing Other Products for Combination Regimens anywhere in the world, including seeking a label in a Regulatory Approval for such Other Product for use in a Combination Regimen with a Competing Product and Commercializing such Other Product under such label, provided that Celgene shall not Manufacture or Commercialize the Competing Product component of such Combination Regimen.

Notwithstanding the foregoing, nothing in Section 7.5.1 or 7.5.2 shall prohibit Celgene or its Affiliates from continuing any Clinical Trials that are in process as of the Effective Date, or from Commercializing any drug products (or any label expansions) that result from such trials. For purposes of this Section 7.5.2 and where specifically identified in Section 7.4.2 and 7.8.2, "Combination Regimen" shall mean, with respect to a given therapeutic product (other than a Licensed Product) for a given Indication, intended use of such therapeutic product for such Indication together with one or more Other Products as two or more entities of active ingredients in a combination therapy, including concomitant or sequential therapy, either (i) in a Clinical Trial for such other therapeutic product for such Indication as set forth in the protocol for such Clinical Trial or (ii) for commercial sale for such Indication as set forth in the approved label for such therapeutic product.

7.5.3 Acquired Competing Products . Without limiting the provisions of Section 7.5.2, if after the Execution Date, Celgene (or any of its Affiliates) acquires any Third Party (or business or assets of a Third Party) or is acquired by a Third Party (in either case, by merger, purchase of assets, stock acquisition or otherwise) and as a result of such transaction, Celgene (or any of its Affiliates) obtains rights (via ownership or otherwise) to a Competing Product such that Celgene (or its Affiliate) would be in breach of the provisions of Section 7.5.1 (and none of the exceptions in Section 7.5.2 apply) (an " **Acquired Competing Product** "), then Celgene (and its Affiliates) will not be deemed to be in breach of Section 7.5.1, and Celgene will, at its option, no later than [...***...] following Celgene's (or its Affiliate's, as applicable) acquisition of such Acquired Competing Product, undertake at least one of the following (and in the event rights to multiple Acquired Competing Products are so acquired, Celgene will have the right to choose the applicable alternative(s), on an Acquired Competing Product-by-Acquired Competing Product basis):

(a) offer to enter into an amendment to this Agreement with BeiGene whereby Celgene would grant to BeiGene a reasonable economic benefit from the sale of the Acquired Competing Product in the Field in the Celgene Territory in order to account for the

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

erosion of the royalties for the Licensed Product hereunder in the Field in the Celgene Territory during the Term, as applicable, and in such case, the Parties will negotiate in good faith and, if they reach mutual agreement, enter into (but subject to Celgene's and BeiGene's respective final management approval which can be given in their absolute discretion) such amendment;

(b) enter into a binding written agreement with a Third Party to sell, transfer, assign, exclusively license or divest Celgene's (and its Affiliates) rights to clinically develop and sell such Acquired Competing Product in the Field in the Celgene Territory during the Term (provided that, for the avoidance of doubt, Celgene may continue to retain an economic interest therein (e.g., upfront payments, milestone payments, royalties, etc.));

(c) cease or terminate the activities with respect to the Acquired Competing Product during the Term which are in breach of the provisions of Section 7.5.1; or

(d) terminate this Agreement in accordance with Section 13.3; provided that the notice period in Section 13.3 will be reduced to [...***...].

For purposes of clarity, Celgene will not be in breach of its obligations under Section 7.5.1 as long as Celgene complies with the provisions of this Section 7.5.3 to the extent applicable.

7.6 Section 365(n) of the Bankruptcy Code . All licenses granted under this Agreement are deemed to be, for purposes of Section 365(n) of the Bankruptcy Code, licenses of rights to "intellectual property" as defined in Section 101 of such Code. Each Party, as licensee, may fully exercise all of its rights and elections under the Bankruptcy Code. The Parties further agree that, if a Party elects to retain its rights as a licensee under any Bankruptcy Code, such Party will be entitled to complete access to any technology licensed to it hereunder and all embodiments of such technology. Such embodiments of the technology will be delivered to the licensee Party not later than: (a) the commencement of bankruptcy proceedings against the licensor, upon written request, unless the licensor elects to perform its obligations under the Agreement, or (b) if not delivered under the foregoing clause (a), upon the rejection of this Agreement by or on behalf of the licensor, upon written request. Any agreements supplemental hereto will be deemed to be "agreements supplementary to" this Agreement for purposes of Section 365(n) of the Bankruptcy Code. As used herein, " **Bankruptcy Code** " means the U.S. Bankruptcy Code and any foreign equivalent thereto in any country having jurisdiction over a Party or its assets.

7.7 Heme Field . Notwithstanding anything in this Agreement to the contrary, no rights are granted by Celgene to BeiGene under this Agreement in the Heme Field during [...***...].

7.8 [...***...] Limited Exclusivity .

7.8.1 From the Effective Date until the expiration of the [...***...], Celgene and its Affiliates will not (and Celgene will ensure that its Affiliates do not) directly (a) clinically develop any [...***...] in the Celgene Territory for use in the Field, or (b) sell any [...***...] in the Celgene Territory labeled for use in the Field.

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

7.8.2 Exceptions. Notwithstanding the provisions of Section 7.8.1, the provisions of Section 7.8.1 will not apply to, and Celgene and its Affiliates will not be prohibited under Section 7.8.1 from:

(a) any clinical Development intended for label expansion or Regulatory Approval of an Other Product (that is not a [...***...]) for a Combination Regimen (as defined in Section 7.5.2) even if reference to a [...***...] is included in the label for such Other Product;

(b) Developing or Commercializing any pharmaceutical product (other than a Licensed Product) that contains, as its active ingredient, a molecule that binds simultaneously to [...***...].

(c) Developing or Commercializing any [...***...] (including any modifications or improvements thereof) to which Celgene (or its Affiliate) has rights pursuant to the [...***...] Agreement; and/or

(d) Developing or Commercializing Other Products for Combination Regimens anywhere in the world, including seeking a label in a Regulatory Approval for such Other Product for use in a Combination Regimen (as defined in Section 7.5.2) with a [...***...] and Commercializing such Other Product under such label.

Notwithstanding the foregoing, nothing in Section 7.8.1 or 7.8.2 shall prohibit Celgene or its Affiliates from continuing any Clinical Trials that are in process as of the Effective Date, or from Commercializing any drug products (or any label expansions) that result from such trials. For purposes of this Section 7.8.2, Other Product is defined with reference to [...***...] rather than [...***...].

ARTICLE 8
FINANCIAL TERMS

8.1 Upfront Payment. No later than [...***...] after the Effective Date, BeiGene will send Celgene LLC an invoice in the amount of ninety-two million fifty thousand dollars ($92,050,000) as a one-time upfront payment hereunder, and Celgene LLC will pay such invoice within [...***...] after receipt thereof. On December [...***...], 2017, BeiGene will send [...***...] an invoice in the amount of one hundred seventy million nine hundred fifty thousand dollars ($170,950,000) as a one-time upfront payment hereunder, and [...***...] will pay such invoice within [...***...] after receipt thereof. Notwithstanding anything to the contrary herein, the payments under this Section 8.1 are guaranteed and unconditional and shall be due and payable in all events, regardless of any termination of this Agreement for any reason.

8.2 Equity Agreement. On the Effective Date, the Parties will enter into that certain Equity Agreement in the form attached hereto as Exhibit A. BeiGene agrees and acknowledges that the grant of rights to Celgene under the Equity Agreement, including the issuance to Celgene of the equity in BeiGene thereunder, is an essential factor for Celgene entering into this Agreement, without which Celgene would not have entered into this Agreement.

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

8.3 Development Costs for Basket Studies .

8.3.1 Cost Sharing Election by Celgene . [...***...] shall be solely responsible for all of the costs necessary to conduct the Initial Two Basket Studies in accordance with the applicable Basket Program Development Plans [...***...], unless [...***...] elects or is deemed to elect to fund such studies pursuant to Sections 8.3.1(a) through 8.3.1(c) below. The Basket Program Development Plans for the Initial Two Basket Studies have been referenced solely for the purposes set forth in Section 2.3.3(a). [...***...] will provide the final Basket Program Development Plans for the Initial Two Basket Studies to [...***...] prior to their respective Initiation to facilitate [...***...]'s election to fund either, both or neither of the Initial Two Basket Studies in accordance with this Section 8.3. With respect to each BeiGene Basket Study, one of the following elections under Section 8.3.1(a) through 8.3.1(d) will apply, at the election (or deemed election) of Celgene, which election (or deemed election) will be made by Celgene in writing on a BeiGene Basket Study-by-BeiGene Basket Study basis:

(a) Celgene may elect to reimburse BeiGene for the Reimbursable Development Costs [...***...] incurred by BeiGene for such BeiGene Basket Study at a rate equal to [...***...] of such Reimbursable Development Costs [...***...] for such BeiGene Basket Study, which election may be made by written notice to BeiGene within [...***...] after the Initiation of the applicable BeiGene Basket Study (provided that if any Basket Study has been Initiated prior to the Effective Date, then within [...***...] days after the Effective Date) (the " **[...***...]** "). Such Reimbursable Development Costs will be reimbursed by Celgene within [...***...] of receipt of undisputed invoices from BeiGene (such invoices to be provided no more frequently than [...***...]);

(b) Celgene may elect to reimburse BeiGene for the Reimbursable Development Costs [...***...] incurred by BeiGene for such BeiGene Basket Study at a rate equal to [...***...] (provided that such rate shall be [...***...] if such BeiGene Basket Study was [...***...]) of such Reimbursable Development Costs [...***...] for such BeiGene Basket Study (i.e., the Reimbursable Development Costs ([...***...]) multiplied by [...***...] (or multiplied by [...***...] if such BeiGene Basket Study was [...***...]), which election may be made by written notice to BeiGene at any time prior to [...***...] after Celgene's receipt of the final clinical study report for such BeiGene Basket Study (the " **Lower Multiplier Election** ");

(c) If Celgene does not elect the [...***...] or the Lower Multiplier Election for such BeiGene Basket Study as set forth in the foregoing clauses (a) or (b), as applicable, and Celgene successfully obtains a Regulatory Approval from the FDA or EMA that is the first Regulatory Approval or a label expansion for the applicable Licensed Product for the Indication under such BeiGene Basket Study directly through use of the data from such BeiGene Basket Study (such Regulatory Approval, a " **Basket Study Label Approval** "), then as of the time that Celgene receives such Basket Study Label Approval, Celgene will automatically be deemed to have elected to reimburse BeiGene for the Reimbursable Development Costs [...***...] incurred by BeiGene for such BeiGene Basket Study at a rate equal to [...***...] of such Reimbursable Development Costs [...***...] for such BeiGene Basket Study (i.e., the Reimbursable Development Costs [...***...] multiplied by [...***...]) (the " **Higher Multiplier Election** "); or

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(d) if (i) Celgene does not elect (and is not deemed to have elected) the [...***...] or the Lower Multiplier Election for such BeiGene Basket Study as set forth in the foregoing clauses (a) or (b), as applicable, and (ii) Celgene is not deemed to have made the Higher Multiplier Election as set forth in the foregoing clause (c) for such BeiGene Basket Study, or Celgene fails to submit an MAA within [...***...] after receipt of the final clinical study report for such BeiGene Basket Study, then Celgene will automatically be deemed to have elected [...***...] incurred by BeiGene for such BeiGene Basket Study (the " **[...***...]** "). For clarity, if Celgene makes a [...***...] and BeiGene requests, in connection with a BeiGene Basket Study, that Celgene make a regulatory filing in the Celgene Territory that is based upon a data package to support Regulatory Approval provided by BeiGene, Celgene will make such filing on BeiGene's behalf at Celgene's expense. If a successful Basket Study Label Approval is obtained from such regulatory filing in the Celgene Territory, then, upon receipt of such Basket Study Label Approval, Celgene will automatically be deemed to have elected the Higher Multiplier Election pursuant to Section 8.3.1(c).

8.3.2 Development Cost Reporting by BeiGene . Within [...***...] following the end of each Calendar Quarter during which a BeiGene Basket Study is being conducted by BeiGene, BeiGene will prepare and deliver to Celgene a quarterly report detailing the Reimbursable Development Costs incurred by BeiGene during such quarter for the conduct of such BeiGene Basket Study. Within [...***...] following the delivery of the final clinical study report for such BeiGene Basket Study, BeiGene will prepare and deliver to Celgene a final report detailing the aggregate Reimbursable Development Costs incurred by BeiGene for the conduct of such BeiGene Basket Study (the " **Final Development Cost Report** "). BeiGene will also submit to Celgene any additional information reasonably requested by Celgene related to the Reimbursable Development Costs within [...***...] of such request.

8.3.3 Reimbursement by Celgene . With respect to a given BeiGene Basket Study, Celgene will reimburse BeiGene for BeiGene's Reimbursable Development Costs for such BeiGene Basket Study as follows, with such Reimbursable Development Costs to be reimbursed by Celgene within [...***...] of receipt of undisputed invoices from BeiGene (such invoices to be provided no more frequently than monthly):

(a) In the event that Celgene has elected the [...***...] with respect to a given BeiGene Basket Study as set forth in Section 8.3.1, then Celgene shall reimburse BeiGene on a rolling basis within [...***...] of receipt of undisputed invoices from BeiGene (such invoices to be provided no more frequently than [...***...]); or

(b) In the event that Celgene has elected the Lower Multiplier Election with respect to a given BeiGene Basket Study as set forth in Section 8.3.1, then within [...***...] after Celgene making the Lower Multiplier Election, BeiGene will send to Celgene an invoice for an amount equal to [...***...] (provided that such rate shall be [...***...] if such BeiGene Basket Study was [...***...]) of BeiGene's Reimbursable Development Costs [...***...] for such BeiGene Basket Study (together with a detailed calculation of the amount to be reimbursed by Celgene); or

(c) In the event that Celgene is deemed to have elected the Higher Multiplier Election with respect to a given BeiGene Basket Study as set forth in Section 8.3.1, then within [...***...] after Celgene's receipt the last Regulatory Approval required from the FDA or

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EMA for the Licensed Product for the Basket Study Label Approval from such BeiGene Basket Study, BeiGene will send to Celgene an invoice for an amount equal to [...***...] of BeiGene's Reimbursable Development Costs [...***...] for such BeiGene Basket Study (together with a detailed calculation of the amount to be reimbursed by Celgene); or

(d) In the event that Celgene is deemed to have elected the [...***...] with respect to a given BeiGene Basket Study as set forth in Section 8.3.1, then Celgene will [...***...].

8.3.4 Audit; Non-Reimbursable Costs . Celgene will have the right to audit the records of BeiGene with respect to any purported Reimbursable Development Costs included in any report delivered by BeiGene pursuant to this Section 8.3, which audit will be in accordance with Section 8.8. For the avoidance of doubt, BeiGene will be solely responsible for [...***...].

8.4 Development Milestones .

8.4.1 Subject to the terms of this Section 8.4, Celgene will notify BeiGene within [...***...] following the first achievement (after the Effective Date) by Celgene of each milestone event described below in this Section 8.4 with respect to the first (and only the first) Licensed Product (but excluding Licensed Diagnostic Products) to achieve such milestone event, and Celgene will thereafter pay the applicable amounts set forth below associated with the applicable milestone event in accordance with Section 8.4.3 (each, a " **Development Milestone Payment** "):

Development Milestone Event	Development Milestone Payment
[...***...]	[...***...]
[...***...]	[...***...]
[...***...]	[...***...]
[...***...]	[...***...]
[...***...]	[...***...]
[...***...]	[...***...]
[...***...]	[...***...]
[...***...]	[...***...]
[...***...]	[...***...]
[...***...]	[...***...]

8.4.2 Each of the foregoing milestones in Section 8.4.1 will be payable a maximum of one (1) time as set forth in the foregoing chart regardless of the number of Licensed Products achieving the applicable milestone event and regardless of the number of Indications for which the applicable milestone is achieved (i.e., a maximum of [...***...] Development Milestone Payments may be made pursuant to this Section 8.4), and no Development Milestone Payment will be due hereunder for subsequent or repeated achievement of such milestone event. For clarity, the maximum amount payable by Celgene pursuant to this Section 8.4 is Six Hundred and Five Million Dollars ($605,000,000) assuming that each of the milestone events in this Section 8.4 were achieved. Notwithstanding the foregoing, Licensed Diagnostic Products will not trigger any Development Milestone Payments pursuant to this Section 8.4.

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8.4.3 Following receipt of notification by Celgene that Celgene has achieved the applicable milestone event triggering a Development Milestone Payment hereunder, BeiGene will invoice Celgene for the applicable Development Milestone Payment, and Celgene will pay such Development Milestone Payment within [...***...] after receipt of the invoice therefor.

8.5 Sales Milestones .

8.5.1 Subject to the terms of this Section 8.5, Celgene will notify BeiGene within [...***...] after the end of the Calendar Quarter during which a given milestone event described below in this Section 8.5 was first achieved by Celgene (together with its Affiliates and Sublicensees) with respect to the Licensed Products (but excluding any Licensed Diagnostic Products), and Celgene will thereafter pay the applicable amounts set forth below associated with the applicable milestone event in accordance with Section 8.5.3 (each, a " **Sales Milestone Payment** "):

Sales Milestone Event	Sales Milestone Payment
[...***...]	[...***...]
[...***...]	[...***...]
[...***...]	[...***...]
[...***...]	[...***...]

8.5.2 Each of the foregoing milestones in Section 8.5.1 will be payable a maximum of one (1) time as set forth in the foregoing chart regardless of the number of times the applicable milestone event was achieved (i.e., a maximum of four (4) Sales Milestone Payments may be made pursuant to this Section 8.5, and no Sales Milestone Payment will be due hereunder for subsequent or repeated achievement of such milestone event). For clarity, the maximum amount payable by Celgene pursuant to this Section 8.5 is Three Hundred Seventy-Five Million Dollars ($375,000,000) assuming that each of the milestone events in Section 8.5.1 were achieved.

8.5.3 Following receipt of notification by Celgene that Celgene has achieved the applicable milestone event triggering a Sales Milestone Payment hereunder, BeiGene will invoice Celgene for the applicable Sales Milestone Payment, and Celgene will pay such Sales Milestone Payment within [...***...] after receipt of the invoice therefor.

8.6 Royalties .

8.6.1 Licensed Product Royalties . Subject to the terms of this Section 8.6, Celgene will pay BeiGene royalties on Annual Net Sales, on a Licensed Product-by-Licensed Product (but excluding any Diagnostic Products) basis during the applicable Royalty Term for a given Licensed Product (the " **Per Licensed Product Annual Net Sales** "). Such royalty will be equal to the applicable portion of Per Licensed Product Annual Net Sales of the applicable Licensed Product multiplied by the applicable royalty rate, in each case, as set forth in the applicable table in Subsection (a), (b) or (c) below, which royalties will be paid in accordance with Section 8.6.7. In connection with the calculation of royalties for a given Licensed Product pursuant to this Section 8.6, (i) the determination of whether such Licensed Product is [...***...] will be determined on a country-by-country basis, and the royalties (and royalty tiers) will be calculated

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separately for units of such Licensed Product that are [...***...] and units of such Licensed Product that are [...***...], and (ii) the determination of whether such Licensed Product is for use in a Combination Regimen or Single Agent Regimen will be determined on a country-by-country and Indication-by-Indication basis, and the royalties (and royalty tiers) will be calculated separately for units of such Licensed Product that are labeled for use in a Combination Regimen for such Indication and units of such Licensed Product that are labeled for use in a Single Agent Regimen for such Indication, as follows: For clarity, if a given Licensed Product is a [...***...] for one Indication in a country, the royalty rates in Sections 8.6.1(b) or (c), as the case may be, will be deemed to apply to all Indications for that Licensed Product in that country.

(a) The following royalty rates and tiers will apply to a given Licensed Product (excluding Licensed Diagnostic Product) that is a [...***...] and is labeled for use in a Single Agent Regimen or Combination Regimen (aggregated across all countries in the Celgene Territory where such conditions are satisfied for such Licensed Product):

Per Licensed Product Annual Net Sales for a Given Non-Superior Product for Single Agent Regimen or Combination Regimen in a Given Calendar Year	**Royalty Rate**
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...]	[...***...]%

(b) The following royalty rates and tiers will apply to a given Licensed Product (excluding Licensed Diagnostic Product) that is a [...***...] and is labeled for use in a Combination Regimen (aggregated across all countries in the Celgene Territory where such conditions are satisfied for such Licensed Product):

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Per Licensed Product Annual Net Sales for a Given Superior Product for Combination Regimen in a Given Calendar Year	Royalty Rate
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...]	[...***...]%

(c) The following royalty rates and tiers will apply to a given Licensed Product (excluding Licensed Diagnostic Product) that is a Superior Product and is labeled for use in a Single Agent Regimen (aggregated across all countries in the Celgene Territory where such conditions are satisfied for such Licensed Product):

Per Licensed Product Annual Net Sales for a Given Superior Product for Single Agent Regimen in a Given Calendar Year	Royalty Rate
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Per Licensed Product Annual Net Sales for a Given Superior Product for Single Agent Regimen in a Given Calendar Year	Royalty Rate
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...], but less than [...***...]	[...***...]%
Portion of Per Licensed Product Annual Net Sales of such Licensed Product in a given Calendar Year greater than or equal to [...***...]	[...***...]%

The royalties (including royalty rates and tiers) for a given Licensed Product shall be determined separately under the foregoing Sections 8.6.1(a), 8.6.1(b) or 8.6.1(c), as applicable, as and to the extent the conditions set forth in such Sections are satisfied for a particular unit of such Licensed Product. For clarity, (i) if no royalty is payable on a given unit of Licensed Product (e.g., following the Royalty Term for such Licensed Product in a given country), then the Net Sales of such unit of Licensed Product will not be included for purposes of determining the royalties or royalty tiers, (ii) Net Sales of a given Licensed Product will not be combined with Net Sales of any other Licensed Product for purposes of determining the foregoing royalties or royalty tiers, and (iii) only one royalty will be payable by Celgene to BeiGene on the sale of a given unit of Licensed Product, and a given unit of Licensed Product will only be used to determine the royalties and royalty tiers under one of the foregoing Sections 8.6.1(a), 8.6.1(b) or 8.6.1(c), as applicable. Notwithstanding the foregoing, the royalties set forth in this Section 8.6.1 do not apply to Diagnostic Products and sales of Diagnostic Products will not be included for purposes of determining the royalties or royalty tiers. For clarity, if a given Licensed Product qualifies for a royalty under more than one of the categories set forth in Sections 8.6.1(a), 8.6.1(b) and 8.6.1(c), above, Celgene shall pay BeiGene a royalty at the highest applicable royalty rate set forth in Sections 8.6.1(a), 8.6.1(b) and 8.6.1(c).

8.6.2 Royalty Term . Celgene's royalty obligations to BeiGene under Section 8.6.1 will be on a Licensed Product-by-Licensed Product and country-by-country basis only during the applicable Royalty Term for such Licensed Product in such country. Following expiration of the applicable Royalty Term for a given Licensed Product in a given country, as applicable, no further royalties will be payable in respect of sales of such Licensed Product in such country and, thereafter, the licenses granted to Celgene hereunder with respect to such Licensed Product in such country will automatically become fully paid-up, perpetual, irrevocable and royalty-free.

8.6.3 Royalty Reduction .

(a) Reductions for Biosimilar Products . If, on a Licensed Product-by-Licensed Product and country-by-country and Calendar Quarter-by-Calendar Quarter basis,

(i) Biosimilar Product(s) (in the aggregate) have a market share (by unit volume) of greater than [...***...] but less than or equal to [...***...]; or

(ii) Biosimilar Product(s) (in the aggregate) have a market share (by unit volume) of more than [...***...];

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then the royalties payable with respect to Per Licensed Product Annual Net Sales of such Licensed Product pursuant to Section 8.6.1 in such country during such Calendar Quarter will be reduced to [...***...] if subsection (i) applies and [...***...] if subsection (ii) applies, respectively, of the royalties otherwise payable pursuant to Section 8.6.1, unless the Licensed Product in question is a [...***...], in which case no reductions shall be made under this Section 8.6.3. Market share will be based on the aggregate market in such country of such Licensed Product and the Biosimilar Product(s) (based on number of units of such Licensed Product and such Biosimilar Product(s) in the aggregate sold in such country, as reported by a well-known reporting service reasonably determined by Celgene (e.g., IMS International)).

(b) No Valid Claim/Regulatory Exclusivity. If, on a Licensed Product-by-Licensed Product, country-by-country and Calendar Quarter-by-Calendar Quarter basis, a Licensed Product is not Covered by a Valid Claim or Regulatory Exclusivity in such country then the royalties otherwise payable with respect to Per Licensed Product Annual Net Sales of such Licensed Product shall be reduced by [...***...].

(c) Aggregate Royalty Reduction. If any part of the royalty on Licensed Product is eligible for reduction under both Sections 8.6.3(a) and 8.6.3(b), the aggregate reduction of the royalty payable for such Net Sales of Licensed Product shall not reduce the royalty rate payable under Section 8.6.1 by more than [...***...].

8.6.4 Royalty Offset for Third Party Payments.

(a) Existing BeiGene Third Party Agreements. BeiGene will be solely responsible for all costs and payments of any kind (including all upfront fees, annual payments, milestone payments and royalty payments) arising under any agreements between BeiGene (or any of its Affiliates) and any Third Party existing as of the Effective Date, including any Existing Product Agreement, which costs or payments arise in connection with, or as a result of, the activities hereunder, including the Development, Manufacture or Commercialization of Licensed Compounds, Licensed Products or Licensed Diagnostic Products.

(b) Other Third Party Agreements.

(i) " **Essential Third Party IP** " shall mean any Patents of a Third Party that have been determined by a Party's outside patent counsel to be necessary for the [...***...]. " **Essential IP Agreement** " shall mean [...***...]. If Celgene (or any of its Affiliates or sublicensees) enters into an Essential IP Agreement after the Effective Date, or BeiGene enters into an Essential IP Agreement after the Effective Date in either case that includes Essential Third Party IP, then [...***...].

(ii) Notwithstanding the foregoing, in no event will the amount of any [...***...] in any given Calendar Quarter by operation of this Section 8.6.4(b); provided, that, if Celgene is not able to fully recover [...***...].

8.6.5 [*Intentionally Omitted*]

8.6.6 Compulsory Licenses. If a compulsory license is granted to a Third Party with respect to a Licensed Product in any country in the Celgene Territory with a royalty rate lower

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than the royalty rate provided by Section 8.6.1 (as adjusted per Section 8.6.3), then the royalty rate to be paid by Celgene on Per Licensed Product Annual Net Sales under such compulsory license in such country under Section 8.6.1 will be reduced to the rate payable by the compulsory licensee.

8.6.7 Payment of Royalties. Celgene will: (a) within [...***...] following the end of each Calendar Quarter in which a royalty payment pursuant to Section 8.6.1 accrues, provide to BeiGene a report specifying (in confirmed figures, or reasonable estimates if firm figures are not available) for such Calendar Quarter (i) the number of Licensed Products sold that are subject to such royalty, (ii) the Per Licensed Product Annual Net Sales that are subject to such royalty, and (iii) the royalty calculation, foreign currency conversion rates applied, and royalties payable in U.S. Dollars; and (b) make the royalty payments owed to BeiGene hereunder in accordance with such royalty report in arrears, within [...***...] from the end of the Calendar Quarter in which such payment accrues, along with a final report if the report referred to in subclause (a) was based on any estimates.

8.7 Additional Payment Terms.

8.7.1 Currency. All payments hereunder will be made in U.S. Dollars by wire transfer to a bank designated in writing by BeiGene (if the payment is to be made to BeiGene) or by Celgene (if the payment is to be made to Celgene). Conversion of sales recorded in local currencies to Dollars will be performed in a manner consistent with Celgene's normal practices used to prepare its audited financial statements for internal and external reporting purposes. Conversion of Development Costs recorded in local currencies to Dollars to be reimbursed in accordance with Section 8.3 will be performed in a manner consistent with BeiGene's normal practices used to prepare its audited financial statements for internal and external reporting purposes.

8.7.2 Taxes; Withholding.

(a) Generally. Each Party will be responsible for, and will pay, any and all taxes levied on account of all payments it receives under this Agreement except as otherwise provided in this Section 8.7.2.

(b) Tax Withholding. Each Party will be entitled to deduct and withhold from any amounts payable under this Agreement or the Equity Agreement (except to the extent inconsistent with Section 3.18 of the Equity Agreement) such taxes as are required to be deducted or withheld therefrom under any provision of Law. The Party that is required to make such withholding will (i) deduct those taxes from such payment, (ii) timely remit the taxes to the proper taxing authority, and (iii) send evidence of the obligation together with proof of tax payment to the other Party on a timely basis following that tax payment. The amount of such deduction and withholding shall be treated, for purposes of this Agreement or the Equity Agreement, as the case may be, as having been paid by the Party making such withholding and deduction to the other Party, and such other Party shall not be entitled to receive any additional gross-up or payment as a result of such withholding and deduction. Each Party agrees to reasonably cooperate with the other Party in claiming refunds or exemptions from such deductions or withholdings under any relevant agreement or treaty which is in effect to ensure that any amounts required to be withheld pursuant to this Section 8.7.2(b) are reduced in amount to the fullest extent permitted by Law. If

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any tax authority asserts that any amount payable under this Agreement or the Equity Agreement (except to the extent inconsistent with Section 3.18 of the Equity Agreement) should have been subject to deduction and withholding, or subject to such deduction and withholding at a higher rate, than any deduction or withholding that has actually been made, the Party that is the recipient of such payment shall indemnify and hold harmless the other Party for its failure to have made such deduction and withholding, and such other Party may satisfy any obligation with respect to such failure out of any subsequent payment otherwise to be made to the recipient Party under this Agreement.

(c) Tax Documentation . Upon the invoicing of the upfront license payment pursuant Section 8.1, BeiGene will provide to Celgene a properly completed and duly executed IRS Form W-8BEN-E. BeiGene (and any other recipient of payments under this Agreement) will, to the extent it is legally permitted to, provide to Celgene, at the time or times reasonably requested by Celgene or as required by Law, such properly completed and duly executed documentation (for example, an appropriate IRS Form W-8 or W-9) as will permit payments made under this Agreement to be made without, or at a reduced rate of, withholding for taxes.

(d) VAT . Each Party will be responsible for its own obligations with regard to the payment of, and any recoveries with respect to, applicable value added tax, as required under applicable Law.

8.7.3 Late Payments . Celgene shall pay interest to BeiGene on the aggregate amount of any payments that are not paid on or before the date such payments are due under this Agreement at a rate per annum equal to the lesser of [...***...], or the highest rate permitted by applicable Law, calculated on the number of days such payments are paid after the date such payments are due; provided that, with respect to any disputed payments, no interest payment shall be due until such dispute is resolved and the interest which shall be payable thereon shall be based on the finally-resolved amount of such payment, calculated from the original date on which the disputed payment was due through the date on which payment is actually made.

8.8 Records Retention; Audit .

8.8.1 Records . With respect to royalty and milestone payments to be made under Sections 8.5 or 8.6, as applicable, Celgene agrees to keep, for at least [...***...] from the end of the Calendar Year to which they pertain, complete and accurate records of sales by Celgene or its Affiliates, as the case may be, of each Licensed Product, in sufficient detail to allow the accuracy of the payments made hereunder to be confirmed. With respect to Development Costs to be reimbursed under Section 8.3, BeiGene agrees to keep, for at least [...***...] from the end of the Calendar Year to which they pertain, complete and accurate records of Development Costs in sufficient detail to allow the accuracy of the payments made hereunder to be confirmed.

8.8.2 Review . Subject to the other terms of this Section 8.8.2, during the Term, at the request of a Party (the " **Auditing Party** "), which will not be [...***...] per Calendar Year, upon at least [...***...] prior written notice to the other Party (the " **Audited Party** "), and at the expense of Auditing Party, the Audited Party will permit an independent, nationally-recognized certified public accountant selected by the Auditing Party and reasonably acceptable to the Audited

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Party to inspect (during regular business hours) the relevant records required to be maintained by the Audited Party under Section 8.8.1; provided that such audit right will not apply to records beyond [...***...] from the end of the Calendar Year to which they pertain. In every case the accountant must have previously entered into a confidentiality agreement with both Parties having confidentiality obligations and non-use obligations no less restrictive than those set forth in Article 10 and limiting the disclosure and use of such information by such accountant to authorized representatives of the Parties and the purposes germane to Section 8.8.1. Results of any such review will be binding on both Parties absent manifest error. The Auditing Party will treat the results of any such accountant's review of the Audited Party's records as Confidential Information of the Audited Party subject to the terms of Article 10. If BeiGene is the Auditing Party and such review reveals a deficiency or overpayment in the calculation or payment of royalties or milestones by Celgene, then (a) BeiGene or Celgene, as applicable, will promptly pay (or refund, as applicable) the other Party the amount of such deficiency or overpayment, as applicable, and (b) if such deficiency is by more than the greater of (i) [...***...] of the aggregate amounts owed by Celgene or (ii) [...***...], Celgene will, within [...***...] after receipt of an invoice therefor, pay the reasonable, documented and verifiable external out-of-pocket costs and expenses incurred by BeiGene for the independent accountant in connection with the review. If Celgene is the Auditing Party and such review reveals a deficiency or overpayment in the calculation or payment of Reimbursable Development Costs payable by Celgene, then (a) BeiGene or Celgene, as applicable, will promptly pay (or refund, as applicable) the other Party the amount of such deficiency or overpayment, as applicable, and (b) if such overpayment is by more than the greater of (i) [...***...] of the aggregate amounts owed by Celgene or (ii) [...***...], BeiGene will, within [...***...] after receipt of an invoice therefor, pay the reasonable, documented and verifiable external out-of-pocket costs and expenses incurred by Celgene for the independent accountant in connection with the review.

8.8.3 Records Final . Upon the expiration of [...***...] following the end of a given Calendar Year, the calculation of royalties and milestones payable, or Reimbursable Development Costs reimbursable, as applicable, with respect to such Calendar Year will be binding and conclusive upon the Party receiving such payment, and the other Party (and its Affiliates) will be released from any liability or accountability with respect to such royalties, milestones and Reimbursable Development Costs, as applicable, for such Calendar Year.

ARTICLE 9
INTELLECTUAL PROPERTY

9.1 Ownership .

9.1.1 Inventorship . Inventorship of Inventions will be determined by application of U.S. patent law pertaining to inventorship.

9.1.2 BeiGene . As between the Parties, except with respect to Joint Patents and Joint Know-How as set forth in Section 9.1.4, BeiGene will retain all right, title and interest in and to all BeiGene Patents and BeiGene Know-How (including any Inventions discovered, invented, made, conceived or reduced to practice by or on behalf of a BeiGene or its Affiliates, whether solely or jointly with any Third Party as of the Effective Date or during the Terms of this

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Agreement (a " **BeiGene Invention** ")), except to the extent that any such rights are licensed or granted to Celgene under this Agreement.

9.1.3 Celgene . As between the Parties, except with respect to Joint Patents and Joint Know-How as set forth in Section 9.1.4, Celgene will retain all right, title and interest in and to all Celgene Collaboration IP and Celgene Proprietary IP, except to the extent that any such rights are licensed or granted to BeiGene under this Agreement.

9.1.4 Joint Know-How and Joint Patents . BeiGene and Celgene will jointly own all right, title and interest in any Inventions discovered, invented, made, conceived or reduced to practice jointly by or on behalf of BeiGene (or its Affiliates) and Celgene (or its Affiliates) (the " **Joint Know-How** ") and any Patents filed pursuant to this Agreement that claim such Joint Know-How (the " **Joint Patents** "). For clarity, work performed by BeiGene or its Affiliates under the Basket Program will not be deemed to be work performed on behalf of Celgene or its Affiliates. Subject to the licenses granted to Celgene under this Agreement and the other terms of this Agreement (including the provisions of Sections 7.4 and 7.5), each Party has the right to exploit its interest in such Joint Know-How and Joint Patents without the consent of, and without accounting to, the other Party; provided, however, that for clarity, the foregoing joint ownership rights with respect to Joint Know-How and Joint Patents will not be construed as granting, conveying or creating any license or other rights to any other intellectual property of the other Party, unless otherwise expressly set forth in this Agreement.

9.2 Prosecution and Maintenance of BeiGene Patents; Joint Patents .

9.2.1 Celgene First Right . Celgene will have the first right with respect to clause (a) and (b) below and the sole right with respect to clause (c) below (but, in each case, not the obligation), using patent counsel of its choice, to Prosecute and Maintain at Celgene's expense (a) the BeiGene Patents in the Celgene Territory consisting solely of claims that solely Cover a Licensed Compound with respect to composition, method of use in the Field, method of making Licensed Compound, or the combination of Licensed Compound with one or more other proprietary APIs of Celgene or its Affiliates that, as of the Effective Date or at any time during the Term, are being developed or co-developed by Celgene or its Affiliates (the " **BeiGene Core Patents** "), (b) the Joint Patents (which will be in the names of both BeiGene and Celgene) worldwide and (c) the Celgene Collaboration Patents worldwide (" **Celgene Controlled Patents** ") (or alternatively, in either case of (a) or (b), Celgene may direct BeiGene to Prosecute and Maintain one or more such Patents in one or more countries using patent counsel acceptable to Celgene, and will reimburse BeiGene for its reasonable, documented and verifiable external out-of-pocket costs in connection therewith). The BeiGene Patents that qualify as Celgene Controlled Patents as of the Execution Date are set forth on Schedule 9.2.1 . Celgene will keep BeiGene informed as to material developments with respect to the Prosecution and Maintenance of such Celgene Controlled Patents including by providing copies of all substantive office actions, examination reports, communications or any other substantive documents to or from any patent office, including notice of all interferences, reissues, re-examinations, inter partes reviews, post grant proceedings, oppositions or requests for patent term extensions. Celgene will also provide BeiGene with a reasonable opportunity to comment substantively on the Prosecution and Maintenance of such Celgene Controlled Patents prior to taking material actions (including the filing of initial applications), and will in good faith consider any comments made by, and actions

recommended by, BeiGene, provided, however, that BeiGene does so consistent with any applicable filing deadlines.

9.2.2 BeiGene Back-Up Right . If Celgene decides not to file, maintain, or prosecute a BeiGene Core Patent or Joint Patent in any country or intends to allow such BeiGene Core Patent or Joint Patent to lapse or become abandoned without having first filed a substitute, it will endeavor to notify and consult with BeiGene of such decision or intention in a reasonable time prior to the date upon which the subject matter of such BeiGene Core Patent or Joint Patent will become unpatentable or such BeiGene Core Patent or Joint Patent will lapse or become abandoned, and BeiGene will thereupon have the right (but not the obligation) to assume the Prosecution and Maintenance thereof at BeiGene's expense (" **BeiGene Assumed Patent** ") and such BeiGene Core Patent or Joint Patent will no longer be part of Celgene Controlled Patents. With respect to Joint Patents, (a) BeiGene will Prosecute and Maintain such Joint Patent in the names of both BeiGene and Celgene (unless Celgene notifies BeiGene in writing that a given Joint Patent should not be in the name of Celgene), and (b) BeiGene will keep Celgene informed as to material developments with respect to the Prosecution and Maintenance of such BeiGene Assumed Patents including by providing copies of all substantive office actions, examination reports, communications or any other substantive documents to or from any patent office, including notice of all interferences, reissues, re-examinations, inter partes reviews, post grant proceedings, oppositions or requests for patent term extensions, and (d) BeiGene will also provide Celgene with a reasonable opportunity to comment substantively on the Prosecution and Maintenance of such BeiGene Assumed Patents prior to taking material actions (including the filing of initial applications), and will in good faith consider any comments made by, and actions recommended by, Celgene, provided, however, that Celgene does so consistent with any applicable filing deadlines.

9.2.3 BeiGene will have the first right (but not the obligation), using patent counsel of its choice, to Prosecute and Maintain at BeiGene's expense any of the BeiGene Patents that is not a Celgene Controlled Patent (" **BeiGene Controlled Patent** "), (BeiGene may direct Celgene to Prosecute and Maintain one or more such Patents in one or more countries using patent counsel acceptable to BeiGene, and will reimburse Celgene for its reasonable, documented and verifiable external out-of-pocket costs in connection therewith). BeiGene will keep Celgene informed as to material developments with respect to the Prosecution and Maintenance of such Patents including by providing copies of all substantive office actions, examination reports, communications or any other substantive documents to or from any patent office, including notice of all interferences, reissues, re-examinations, inter partes reviews, post grant proceedings, oppositions or requests for patent term extensions. BeiGene will also provide Celgene with a reasonable opportunity to comment substantively on the Prosecution and Maintenance of such Patents prior to taking material actions (including the filing of initial applications), and will (a) at Celgene's request, (i) file divisional applications with claims that qualify such applications as Celgene Controlled Patents as set forth under 9.2.1 and/or (ii) where no Celgene Controlled Patents have issued in a particular jurisdiction, modify claims in a pending application to qualify such applications as Celgene Controlled Patents as set forth under 9.2.1(a),and (b) in good faith consider any other comments made by, and actions recommended by, Celgene, provided, however, that Celgene does so consistent with any applicable filing deadlines.

9.2.4 Cooperation in Prosecution and Maintenance . The Parties will reasonably cooperate with one another with respect to the Prosecution and Maintenance of the BeiGene

Patents and Joint Patents for which either Party is responsible for Prosecution and Maintenance pursuant to this Section 9.2. If Celgene is responsible for the Prosecution and Maintenance of a Patent in accordance with this Section 9.2, BeiGene agrees to make its employees, agents and consultants reasonably available to Celgene (and to Celgene's authorized attorneys, agents or representatives) to enable Celgene to undertake such Prosecution and Maintenance, and will assist in any license registration processes with applicable Governmental Authorities that may be available for the protection of Celgene's interests in this Agreement. In addition, BeiGene will (and will cause its employees, agents and consultants to) provide reasonable assistance to Celgene (and to Celgene's authorized attorneys, agents or representatives) to enable Celgene to undertake such Prosecution and Maintenance, including by executing powers of attorney and other agreements for Celgene to undertake such Prosecution and Maintenance.

9.2.5 Costs of Prosecution and Maintenance. Except as otherwise expressly set forth in this Section 9.2, each Party will be responsible for all costs and expenses associated with its Prosecution and Maintenance activities under this Section 9.2 with respect to BeiGene Patents and Joint Patents for which it is responsible pursuant to Sections 9.2.1 or 9.2.2, as applicable.

9.3 Enforcement of BeiGene Patents and Joint Patents.

9.3.1 Notice. If any Party learns of an infringement or threatened infringement by a Third Party of any Celgene Controlled Patent in the Celgene Territory, such Party will promptly notify the other Party and will provide such other Party with available evidence of such infringement, and following such notification, the Parties will confer.

9.3.2 Celgene First Right. Subject to the remaining provisions of this Section 9.3, Celgene will have the first right, but not the obligation, to institute, prosecute, and control any action or proceeding (which may include settlement or otherwise seeking to secure the abatement of such infringement), with respect to any infringement of a Celgene Controlled Patent in the Celgene Territory within the Field by counsel of its own choice, in Celgene's own name (or, if required, under BeiGene's name) and under Celgene's direction and control, including the right to control the defense of any challenges to such Patents as a counterclaim in such infringement proceeding.

9.3.3 BeiGene Back-Up Right. If Celgene determines not to institute an action or proceeding with respect to a given infringement of any BeiGene Core Patent or Joint Patent pursuant to Section 9.3.2, it will notify BeiGene of such decision and consult with BeiGene of such decision, and, subject to the remaining provisions of this Section 9.3, BeiGene will thereupon have the right (but not the obligation) to institute an action or proceeding with respect to such infringement of such BeiGene Core Patent or Joint Patent, as applicable, at BeiGene's expense with counsel of its choice, in which case such Patent shall no longer be considered a Celgene Controlled Patent. Notwithstanding the foregoing provisions of this Section 9.3, if Celgene in good faith has any reasonable concerns that BeiGene's exercise of its backup enforcement right with respect to any Patents as set forth in this Section 3 could be detrimental to the patent protection of any Licensed Compounds, Licensed Products or Licensed Diagnostic Products, then BeiGene will not be permitted to enforce such Patent without the prior consent of Celgene, which Celgene will not withhold in good faith.

9.3.4 BeiGene First Right. BeiGene will have the first right, but not the obligation, to institute, prosecute, and control any action or proceeding (which may include settlement or otherwise seeking to secure the abatement of such infringement), with respect to any infringement of any BeiGene Controlled Patent as well as any BeiGene Assumed Patent by counsel of its own choice, in BeiGene's own name (or, if required, under Celgene's name) and under BeiGene's direction and control, including the right to control the defense of any challenges to such Patents as a counterclaim in such infringement proceeding.

9.3.5 Right to Participate; Joinder .

(a) In the case of any enforcement action or proceeding with respect to Joint Patents as set forth in Sections 9.3.2 or 9.3.3, the other Party (or its Affiliate, as applicable) will join any such action or proceeding as a party, at the enforcing Party's expense, if doing so is necessary for the purposes of establishing standing or is otherwise required by Law to pursue such action or proceeding. The non-enforcing Party in relation to any enforcement action or proceeding with respect to Joint Patents as set forth in Sections 9.3.2 or 9.3.3, as applicable, will have the right, at its own expense and by counsel of its choice, to be represented in any such action or proceeding.

(b) In the case of any enforcement action or proceeding with respect to BeiGene Patents controlled by Celgene as set forth in Section 9.3.2, BeiGene (or its Affiliate, as applicable) will join any such action or proceeding as a party, at Celgene's expense, if doing so is necessary for the purposes of establishing standing or is otherwise required by Law to pursue such action or proceeding. In the case of any enforcement action or proceeding with respect to BeiGene Patents controlled by BeiGene as set forth in Sections 9.3.3, BeiGene will bear its own costs and expenses arising out of such enforcement action or proceeding, and Celgene may, at its option, participate in such enforcement action or proceeding at its own expense.

9.3.6 Consultation; Cooperation . The enforcing Party will keep the non-enforcing Party regularly informed of the status and progress of such enforcement efforts. The enforcing Party will consult with the non-enforcing Party and will take comments of the non-enforcing Party into good faith consideration with respect to the infringement or claim construction of any claim in any BeiGene Patent or Joint Patent. The non-enforcing Party will provide to the enforcing Party reasonable cooperation in such enforcement, at such enforcing Party's request and expense.

9.3.7 Settlement . A settlement or consent judgment or other voluntary final disposition of a suit with respect to the BeiGene Patents or Joint Patents under this Section 9.3 may be entered into without the consent of the Party not bringing suit; provided, however, that any such settlement, consent judgment or other disposition of any action or proceeding by a Party under this Section 9.3 will not, without the consent of the other Party, (a) impose any liability or obligation on such other Party, (b) include the grant of any license, covenant or other rights to any Third Party that would conflict with or reduce the scope of the subject matter included under the rights and licenses granted to such other Party under this Agreement, or (d) otherwise materially affect the licenses or other rights granted to such other Party hereunder adversely in any respect.

9.3.8 Costs and Recoveries. Except as otherwise set forth in this Section 9.3, each Party will bear all of its own internal and out-of-pocket costs incurred in connection with its activities under this Section 9.3. Any damages or other monetary awards recovered in any action, suit or proceeding brought under this Section 9.3 to the extent related to any BeiGene Patents, Celgene Collaboration Patents or Joint Patents will be shared as follows:

(a) The amount of such recovery actually received by the Party controlling such action will first be applied to costs and expenses incurred by each Party in connection with such action (including, for this purpose, a reasonable allocation of expenses of internal counsel) (provided that if the amount of such recovery is not sufficient to cover all such costs and expenses of each Party, then the amount of the recovery will be proportionately shared by the Parties based on the amount of such costs and expenses incurred by each Party); and

(b) Any remaining proceeds shall be allocated between the Parties such as follows:

(i) If Celgene controls enforcement in accordance with this Section 9.3, BeiGene shall be entitled to a payment at the applicable royalty rate with respect to any amounts awarded for lost sales, and any remaining amounts not allocated to lost sales shall be allocated [...***...] to Celgene to the extent such proceeds relate to infringement of the Celgene Controlled Patents.

(ii) If BeiGene controls enforcement in accordance with this Section 9.3, BeiGene shall receive [...***...] (and Celgene shall receive [...***...] of such proceeds to the extent that such proceeds relate to infringement in the Field in the Celgene Territory or to infringement of Joint Patents, and BeiGene shall receive [...***...] of all other remaining proceeds.

9.3.9 Biosimilar Applications.

(a) Notwithstanding the foregoing provisions of this Section 9.3, if either Party receives a copy of a Biosimilar Application referencing a Licensed Product or otherwise becomes aware that such a Biosimilar Application has been submitted to a Regulatory Authority for marketing authorization (such as in an instance described in 42 U.S.C. §262(l)(2), the remainder of this Section 9.3.9 will apply. Such Party will within [...***...] notify the other Party. The owner of the relevant Patents will then seek permission to view the Biosimilar Application, information regarding the process or processes used to manufacture the product that is the subject of the Biosimilar Application, and related confidential information from the filer of the Biosimilar Application if necessary under 42 U.S.C. §262(l)(1)(B)(iii). If either Party receives any equivalent or similar communication or notice in the United States or any other jurisdiction, the Party receiving such communication or notice will within [...***...] notify and provide the other Party copies of such communication or notice to the extent permitted by Applicable Laws. Regardless of the Party that is the "reference product sponsor," as defined in 42 U.S.C. §262(l)(1)(A), for purposes of such Biosimilar Application the following will apply:

(i) The Parties will mutually agree upon, and BeiGene will designate in accordance with such mutual agreement, the outside counsel and in-house counsel who will receive confidential access to the Biosimilar Application, information regarding the

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process or processes used to manufacture the product that is the subject of the Biosimilar Application, and any related confidential information pursuant to 42 U.S.C. §262(l)(1)(B)(ii).

(ii) Celgene and BeiGene will cooperate and mutually agree upon: any Patents to be listed, including those within the BeiGene Patents, as required pursuant to 42 U.S.C. §262(l)(3)(A) or 42 U.S.C. §262(l)(7), responses to any communications with respect to such lists from the filer of the Biosimilar Application, negotiations with the filer of the Biosimilar Application as to whether to utilize a different mechanism for information exchange other than that specified in 42 U.S.C. §262(l)(1) and as to the Patents that will be subject to the litigation procedure as described in 42 U.S.C. §262(l)(4), which Patent or Patents will be selected for litigation under 42 U.S.C. §262(l)(5)(B)(i)(II), and the commencement such litigation under 42 U.S.C. §262(l)(6). Any such action will be subject to the terms and conditions of Section 9.3.2 through 9.3.8 in relation to actions for infringement brought by Celgene (provided that, for the avoidance of doubt, BeiGene shall have no rights to enforce any Celgene IP and, as between the Parties, Celgene shall have the sole right to do so). If BeiGene is required pursuant to Law to execute any of these tasks it will do so in accordance with such mutual agreement.

(iii) Celgene and BeiGene will cooperate and mutually agree upon Patents to be identified, including those within the BeiGene Patents, or responses to relevant communications under any equivalent or similar listing to those described in the preceding clause (ii) in any other jurisdiction within the Celgene Territory outside of the United States. If BeiGene is required pursuant to Law to execute any of these tasks it will do so in accordance with such mutual agreement.

(iv) Each Party will within [...***...] after receiving any notice of commercial marketing provided by the filer of a Biosimilar Application pursuant to 42 U.S.C. §262(l)(8)(A), notify the other Party. To the extent permitted by Law, Celgene will have the first right, but not the obligation, to seek an injunction against such commercial marketing as permitted pursuant to 42 U.S.C. §262(l)(8)(B) and to file an action for patent infringement of all applicable Patents (including any BeiGene Patents or Joint Patents). If required pursuant to Law, upon Celgene's request, BeiGene will assist in seeking such injunction or filing such infringement action after consulting with Celgene. Any such action will be subject to the terms and conditions of Section 9.3.2 through 9.3.8 in relation to actions for infringement brought by Celgene (provided that, for the avoidance of doubt, BeiGene shall have no rights to enforce any Celgene IP and, as between the Parties, Celgene shall have the sole right to do so).

(v) The Parties recognize that procedures other than those set forth above in this Section 9.3.9 may apply with respect to Biosimilar Applications. In the event that the Parties determine that certain provisions of Law in the United States or in any other country in the Celgene Territory apply to actions taken by the Parties with respect to Biosimilar Applications under this Section 9.3.9 in the United States or in such other country, as applicable, the Parties will comply with any such Law for the applicable country (and any relevant and reasonable procedures established by Parties) in exercising their rights and obligations with respect to Biosimilar Applications under this Section 9.3.9, with the goal of granting the Parties the rights as set forth in this Section 9.3.9.

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(b) As used herein, the term " **Biosimilar Application** " means an application or submission filed with a Regulatory Authority for Regulatory Approval of a pharmaceutical or biological product claimed to be biosimilar or interchangeable to any Licensed Product or otherwise relying on the approval of such Licensed Product, including, for example, an application filed under 42 U.S.C. §262(k).

9.4 Patent Term Extensions . BeiGene will reasonably cooperate with Celgene, including providing reasonable assistance to Celgene (including executing any documents as may reasonably be required), in efforts to seek and obtain patent term restoration or supplemental protection certificates or the like or their equivalents in any country in the Celgene Territory, where applicable to BeiGene Patents or Joint Patents or any other applicable Patents, including as may be available to the Parties under the provisions of the U.S. Drug Price Competition and Patent Term Restoration Act of 1984 or comparable laws outside the United States of America, in each case, in connection with any Licensed Product. Notwithstanding anything to the contrary contained herein, if elections with respect to obtaining such patent term restoration or supplemental protection certificates or the like or their equivalents are to be made in connection therewith, the Parties will mutually agree upon the election.

9.5 Regulatory Data Protection . To the extent applicable with respect to Licensed Product or Licensed Diagnostic Product, Celgene (or its designee) will have the sole right to list, with the applicable Regulatory Authorities in the Celgene Territory, all applicable Patents (including any BeiGene Patents or Joint Patents) for any Licensed Product, and BeiGene and its Affiliates will have no right to do so. For clarity, Celgene will retain final decision-making authority as to the listing of all applicable Patents for any Licensed Product, regardless of which Party owns such Patent, and BeiGene will reasonably assist Celgene in connection therewith.

9.6 Common Interest Agreement . At the request of either Party, the Parties will negotiate in good faith to enter into a common interest agreement with respect to the subject matter of this Article 9.

9.7 Defense of Claims Brought by Third Parties .

9.7.1 Celgene . If a Party becomes aware of any actual or potential claim that the Development, Manufacture or Commercialization of a Licensed Compound, Licensed Product or Licensed Diagnostic Product by or on behalf of Celgene (or any of its Affiliates or licensees) pursuant to this Agreement infringes the intellectual property rights of any Third Party, such Party will promptly notify the other Party. In any such instance, the Parties will as soon as practicable thereafter meet to discuss in good faith regarding the best response to such notice; provided that Celgene will have the final decision-making authority in connection therewith. Except as set forth in Section 12.2, Celgene will have the sole right, but not the obligation, to defend and dispose (including through settlement or license) such claim; provided that (a) Celgene will discuss in good faith and coordinate with BeiGene in connection therewith and Celgene will consider in good faith and reasonably address BeiGene's input and comments with respect thereto and (b) Celgene will not, without the consent of BeiGene, enter into any such settlement, consent judgment or other disposition of any action or proceeding that would (i) impose any liability or obligation on BeiGene, (ii) include the grant of any license, covenant or other rights to any Third Party that would conflict with or reduce the scope of the subject matter included under the rights and licenses

granted to BeiGene under this Agreement, or (iii) otherwise adversely affect the licenses or other rights granted to BeiGene hereunder in any respect. [...***...].

9.7.2 BeiGene. If a Party becomes aware of any actual or potential claim that the Development, Manufacture or Commercialization of a Licensed Compound, Licensed Product or Licensed Diagnostic Product by or on behalf of BeiGene (or any of its Affiliates or licensees, but excluding, for clarity, Celgene and its Affiliates) either (a) in the BeiGene Territory or (b) in the Heme Field, pursuant to this Agreement infringes the intellectual property rights of any Third Party, such Party will promptly notify the other Party. In any such instance, the Parties will as soon as practicable thereafter meet to discuss in good faith regarding the best response to such notice; provided that, subject to the provisions of this Section 9.7.2, BeiGene will have the final decision-making authority in connection therewith. Except as set forth in Section 12.1, and subject to the rights and licenses granted to Celgene hereunder (including Sections 3.3.5 and 3.4.5(b)), BeiGene will have the sole right (but not the obligation), at its cost, to defend and dispose (including through settlement or license) such claim; provided that (i) BeiGene will discuss in good faith and coordinate with Celgene in connection therewith and BeiGene will consider in good faith and reasonably address Celgene's input and comments with respect thereto and (ii) BeiGene will not, without the consent of Celgene, enter into any such settlement, consent judgment or other disposition of any action or proceeding that would (A) impose any liability or obligation on Celgene, (B) include the grant of any license, covenant or other rights to any Third Party that would conflict with or reduce the scope of the subject matter included under the rights and licenses granted to Celgene under this Agreement, or (C) otherwise adversely affect the licenses or other rights granted to Celgene hereunder in any respect.

ARTICLE 10
CONFIDENTIALITY

10.1 Nondisclosure. Each Party agrees that a Party (the " **Receiving Party** ") receiving Confidential Information of the other Party (the " **Disclosing Party** ") will (a) maintain in confidence such Confidential Information using not less than the efforts such Receiving Party uses to maintain in confidence its own proprietary information of similar kind and value, but in no event less than a reasonable degree of efforts, (b) not disclose such Confidential Information to any Third Party without the prior written consent of the Disclosing Party, except for disclosures expressly permitted pursuant to this Article 10, and (c) not use such Confidential Information for any purpose except those permitted by this Agreement, including, the exercise of the rights and licenses granted to a Party hereunder (it being understood that this clause (c) will not create or imply any rights or licenses not expressly granted under this Agreement). The obligations of confidentiality, non-disclosure and non-use under this Section 10.1 will be in full force and effect during the Term and for a period of [...***...] thereafter. The Receiving Party will return all copies of or destroy (and certify such destruction in writing) the Confidential Information of the Disclosing Party disclosed or transferred to it by the other Party pursuant to this Agreement, within [...***...] of the termination or expiration of this Agreement; provided, however, that a Party may retain (i) Confidential Information of the other Party to exercise rights and licenses which expressly survive such termination or expiration pursuant to this Agreement, and (ii) one (1) copy of all other Confidential Information in archives solely for the purpose of establishing the contents thereof. For the avoidance of doubt, Joint Know-How shall be treated as the Confidential Information of each Party.

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10.2 Compound Specific Confidential Information . Notwithstanding anything to the contrary contained herein, the Parties agree and acknowledge that any Licensed Compound IP will be deemed to be Confidential Information of both Parties; provided, however, that in no event shall either Party be prevented from exercising any right or license it possesses under this Agreement on account of such status as Confidential Information. As used herein, (a) the term " **Licensed Compound IP** " means, (i) the Licensed Compounds (including the structures thereof), Licensed Products and Licensed Diagnostic Products, and (ii) any Joint Know-How or BeiGene Know-How that specifically relates to any Licensed Compound, Licensed Product or Licensed Diagnostic Product; and (b) the term " **Licensed Non-Compound IP** " means all BeiGene Know-How and Joint Know-How other than Licensed Compound IP.

10.3 Exceptions .

10.3.1 General . The obligations in Section 10.1 will not apply with respect to any portion of the Confidential Information of the Disclosing Party that the Receiving Party can show by competent written proof:

(a) was known to the Receiving Party or any of its Affiliates, without any obligation to keep it confidential or any restriction on its use, prior to disclosure by the Disclosing Party;

(b) is subsequently disclosed to the Receiving Party or any of its Affiliates by a Third Party lawfully in possession thereof and without any obligation to keep it confidential or any restriction on its use;

(c) is published by a Third Party or otherwise becomes publicly available or enters the public domain, either before or after it is disclosed to the Receiving Party, without any breach by the Receiving Party of its obligations hereunder; or

(d) is independently developed by or for the Receiving Party or its Affiliates without reference to or reliance upon the Disclosing Party's Confidential Information.

Any combination of features or disclosures will not be deemed to fall within the foregoing exclusions merely because individual features are published or available to the general public or in the rightful possession of the receiving Party unless the combination itself and principle of operation are published or available to the general public or in the rightful possession of the receiving Party.

10.3.2 [...***...].

10.4 Authorized Disclosure .

10.4.1 Disclosure . Notwithstanding Section 10.1, the Receiving Party may disclose Confidential Information belonging to the Disclosing Party in the following instances:

(a) subject to Section 10.6, to comply with Laws (including the rules and regulations of the U.S. Securities and Exchange Commission (" **SEC** ") or any national securities exchange) or with judicial process (including prosecution or defense of litigation), if, in

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the reasonable opinion of the Receiving Party's counsel, such disclosure is necessary for such compliance or for such judicial process (including prosecution or defense of litigation);

(b) is disclosed to governmental or other regulatory agencies in order to obtain Patents or to gain or maintain approval to conduct Clinical Trials or to market Licensed Product or Licensed Diagnostic Product under this Agreement, in each case, in accordance with this Agreement, but such disclosure will only be to the extent reasonably necessary to obtain Patents or authorizations, and provided that reasonable steps are taken to ensure confidential treatment of such Confidential Information (if available);

(c) to any of its officers, employees, consultants, contractors, agents or Affiliates (including any actual or potential collaborators or sublicensees as permitted under this Agreement) as it deems necessary or advisable in the course of conducting activities in accordance with this Agreement in order to carry out its obligations or exercise its rights under this Agreement (including the exercise of the rights and licenses granted to a Party hereunder); provided that each such disclosee is bound by written confidentiality obligations and non-use obligations no less restrictive than those set forth in this Article 10 to maintain the confidentiality thereof and not to use such Confidential Information except as expressly permitted by this Agreement; provided, however, that, in each of the above situations in this Section 10.4.1(c), the Receiving Party will remain responsible for any failure by any Person who receives Confidential Information pursuant to this Section 10.4.1(c) to treat such Confidential Information as required under this Article 10;

(d) disclosure, solely on a "need to know basis" (i) to its advisors (including attorneys and accountants but excluding investment bankers and other financial advisors) in connection with activities hereunder or (ii) solely with respect the terms of this Agreement and subject to Section 10.4.1(e), to actual or potential acquirers, investment bankers or other financial advisors, investors, lenders or other financial partners; provided that, prior to any such disclosure, each disclosee must be bound by written obligations of confidentiality, non-disclosure and non-use no less restrictive than the obligations set forth in this Article 10 (provided, however, that in the case of legal advisors, no written agreement will be required), which for clarity, will not permit use of such Confidential Information for any purpose except those permitted by this Agreement or to evaluate a potential transaction with the Receiving Party (or its Affiliate) as applicable; provided, however, that, in each of the above situations in this Section 10.4.1(d), the Receiving Party will remain responsible for any failure by any Person who receives Confidential Information pursuant to this Section 10.4.1(d) to treat such Confidential Information as required under this Article 10; and

(e) in the case of any disclosure of this Agreement to any actual or potential acquirer, investment banker or other financial advisors, investor, lender or other financial partner, such disclosure will solely be in the form of a redacted version of this Agreement, which version will be agreed upon by the Parties in good faith, it being understood and agreed that only after negotiations with any such Third Party have progressed so that such Party reasonably and in good faith believes it is in the final round of negotiations with such Third Party regarding execution of a definitive agreement with such Third Party with respect to the proposed transaction, only then may such Party provide an unredacted version of this Agreement to such Third Party.

10.4.2 Terms of Disclosure . If and whenever any Confidential Information is disclosed in accordance with this Section 10.4, such disclosure will not cause any such information to cease to be Confidential Information except to the extent that such disclosure results in a public disclosure of such information (other than by breach of this Agreement). Where reasonably possible and subject to Section 10.6, the Receiving Party will notify the Disclosing Party of the Receiving Party's intent to make any disclosures pursuant to Section 10.4.1(a) sufficiently prior to making such disclosure so as to allow the Disclosing Party adequate time to take whatever action it may deem appropriate to protect the confidentiality of the information, and the Receiving Party will provide reasonable assistance to the Disclosing Party with respect thereto; provided that, in such event, the Receiving Party will use reasonable measures to ensure confidential treatment of such information and will only disclose such Confidential Information of the Disclosing Party as is necessary for the purposes of Section 10.4.1(a).

10.5 Terms of this Agreement . The Parties agree that this Agreement and all of the respective terms hereof will be deemed to be Confidential Information of both BeiGene and Celgene, and each Party agrees not to disclose any of them without the prior written consent of the other Party, except that each Party may disclose any of them in accordance with the provisions of Section 10.4 and/or Section 10.6, as applicable.

10.6 Securities Filings; Legal Requirements . Each Party acknowledges and agrees that the other Party may submit this Agreement to the SEC or any national securities exchange in any jurisdiction (collectively, the " **Securities Regulators** "), or to other Persons as may be required by Law, and if a Party does submit this Agreement to any Securities Regulators, or other Persons as may be required by Law, such Party agrees to consult with the other Party with respect to the preparation and submission of a confidential treatment request for this Agreement. Notwithstanding the foregoing, if a Party is required by Law or any Securities Regulator to make a disclosure of the terms of this Agreement in a filing or other submission as required by Law or Securities Regulator, and (a) such Party has provided copies of the disclosure to the other Party reasonably in advance of such filing or other disclosure under the circumstances, (b) such Party has promptly notified the other Party in writing of such requirement and any respective timing constraints, and (c) such Party has given the other Party a reasonable time under the circumstances from the date of notice by such Party of the required disclosure to comment upon and request confidential treatment for such disclosure, then such Party will have the right to make such disclosure at the time and in the manner reasonably determined by its counsel to be required by Law or Securities Regulator. Notwithstanding the foregoing, it is hereby understood and agreed that if a Party seeks to make a disclosure as required by Law or Securities Regulator as set forth in this Section 10.6, and the other Party provides comments within the respective time periods or constraints specified herein or within the respective notice, the Party seeking to make such disclosure or its counsel, as the case may be, will in good faith consider incorporating such comments.

10.7 Publicity .

10.7.1 Press Release . The Parties agree to issue a press release in the form attached hereto as Exhibit C promptly after execution of this Agreement. In all other cases, subject to this Section 10.7, each Party agrees not to, and agrees to cause its Affiliates not to, issue any press release or other public statement disclosing the existence of Agreement, the activities hereunder,

or the transactions contemplated hereby, unless such press release or other public statement is approved by the other Party in writing; provided that each Party will be authorized to make any disclosure, without the approval of the other Party, that is required by Law (including the U.S. Securities Act of 1933, as amended, and the U.S. Securities Exchange Act of 1934, as amended) or the rules of any Securities Regulator, or by judicial process, subject to and in accordance with Sections 10.4 and 10.6, as applicable.

10.7.2 Additional Restrictions on Public Disclosure . Without limiting any other restrictions on disclosure set forth in this Article 10, with respect to any press release or other public statement proposed to be made by a Party, if a press release or public statement discloses any information with respect to the research or development of Licensed Compound, Licensed Product or Licensed Diagnostic Product, including any information related to Clinical Trials with respect thereto, such press release or other public statement may not be issued without the other Party's prior written consent, which shall not be unreasonably withheld or delayed, except, for such disclosures by a Party as required by Law (solely and to the extent such Party's counsel determines such disclosure is required to be disclosed by Law); provided that in such case the disclosing Party will use reasonable efforts to afford the other Party a reasonable period of time to review any such disclosure and any comments made by the other Party will be incorporated in good faith. In the event a Party proposes that the disclosing Party use specific wording or language with respect thereto, the disclosing Party will either incorporate such wording or language or provide a reasoned explanation of why it disagrees with the proposed wording or language.

10.7.3 Previously Issued Public Statements . The contents of any press release or other public statement that has been reviewed and approved by a reviewing Party may be re-released by such reviewing Party or publishing Party without a requirement for re-approval.

10.8 Publication of Results .

10.8.1 Publication . Neither Party nor its Affiliates nor Sublicensees may make any publications or presentations with respect to the results of the Development of the Licensed Compounds, Licensed Products or Licensed Diagnostic Products without prior consultation with the other Party via a publications committee (the " **Publications Committee** ") to be nominated by the JSC promptly after formation of the JSC. The Publications Committee will discuss and issue a joint publications charter to set out the ground rules and procedures for review of all such publications, with the objective of protecting each Party's Confidential Information and providing a reasonable opportunity for patent prosecution as appropriate prior to publication, while facilitating publication activities by the Parties as are customary for companies that develop and commercialize proprietary therapeutic products.

10.8.2 Subcontractors . Each Party will ensure that no publication or presentation is made by any of its sublicensees or subcontractors (or any of its Affiliates), with respect to the results of the Development or Commercialization of the Licensed Compound, Licensed Product or Licensed Diagnostic Product, except in accordance with Section 10.8.1.

10.8.3 Specified Language . In the event Celgene proposes that BeiGene use specific wording or language regarding any Licensed Compound IP with respect to any publication

or presentation, BeiGene will either incorporate such wording or language or provide a reasoned explanation of why it disagrees with the proposed wording or language.

10.8.4 Re-Publication; Re-Presentation . The contents of any publication or presentation that has been reviewed and approved by a reviewing Party may be re-released by such reviewing Party or publishing Party without a requirement for re-approval.

10.9 Use of Names . Except as otherwise expressly set forth herein, no Party (or its respective Affiliates) will use the name, trademark, trade name or logo of the other Party, its Affiliates or their respective employee(s) in any publicity, promotion, news release or other public disclosure relating to this Agreement or its subject matter, without the prior express written permission of the other Party, except as may be required by Law, including the rules of any securities exchange or market on which a Party's (or its Affiliate's) securities are listed or traded.

10.10 Clinical Trials Registry . Notwithstanding anything to the contrary in this Article 10, each Party (and its Affiliates, sublicensees and designees) will have the right to publish registry information and summaries of data and results from any human Clinical Trials conducted in connection with activities under this Agreement, on its clinical trials registry or on a government-sponsored database such as www.clinicaltrials.gov or other similar publicly available websites such as www.clinicalstudyresults.org, without requiring the consent of the other Party. The Parties will reasonably cooperate if required or reasonably requested by one of the Parties in order to facilitate any such publication.

10.11 Relationship to Existing Confidentiality Agreement . This Agreement supersedes [...***...] (the " **Existing Confidentiality Agreements** "); provided that all "Confidential Information" disclosed by the "Disclosing Party" thereunder will be deemed Confidential Information of the Disclosing Party hereunder and will be subject to the terms and conditions of this Agreement and the "Receiving Party" will be bound by and obligated to comply with such terms and conditions as if they were the Receiving Party hereunder. The foregoing will not be interpreted as a waiver of any remedies available to the "Disclosing Party" as a result of any breach, prior to the Execution Date, by the "Receiving Party", of its obligations pursuant to the Existing Confidentiality Agreement.

ARTICLE 11
REPRESENTATIONS AND WARRANTIES; COVENANTS

11.1 Representations and Warranties of Both Parties . Each Party hereby represents and warrants to the other Party, as of the Execution Date and as of the Antitrust Clearance Date, that:

11.1.1 such Party is duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation and has full corporate power and authority to enter into this Agreement, and to carry out the provisions hereof;

11.1.2 such Party has taken all necessary corporate action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder, as applicable;

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11.1.3 this Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, binding obligation, enforceable against it in accordance with its terms, except to the extent that enforcement of the rights and remedies created hereby is subject to (a) bankruptcy, insolvency, reorganization, moratorium and other similar laws of general application affecting the rights and remedies of creditors or (b) laws governing specific performance, injunctive relief and other equitable remedies;

11.1.4 the execution, delivery and performance of this Agreement by such Party does not conflict with any agreement or any provision thereof, or any instrument or understanding, oral or written, to which it is a party or by which it is bound, nor violate any Law of any Governmental Authority having jurisdiction over such Party; and

11.1.5 other than the consents, approvals and authorizations contemplated in Article 15, which are subject to the terms thereof, it has obtained all necessary consents, approvals and authorizations of all Governmental Authorities and any other Person required to be obtained by it as of the Effective Date, as applicable, in connection with the execution, delivery and performance of this Agreement, except as may be required to conduct Clinical Trials or to seek or obtain Regulatory Approvals or applicable Regulatory Materials.

11.2 Representations and Warranties of BeiGene . BeiGene hereby represents and warrants to Celgene, that:

11.2.1 As of the Execution Date, Schedule 1.12 contains a complete and accurate list of all Patents Controlled by BeiGene (or any of its Affiliates) as of the Execution Date that are included in the BeiGene Patents, and, except as set forth on Schedule 1.12 , BeiGene is the sole owner of such Patents;

11.2.2 As of the Execution Date, to BeiGene's Knowledge, all Patents within the BeiGene Patents (a) are subsisting and are not invalid or unenforceable, in whole or in part, (b) are being diligently prosecuted in the respective patent offices in accordance with Law, and (c) have been filed and maintained properly and correctly and all applicable fees have been paid on or before the due date for payment. No claim has been issued and served, or written threat of a claim or litigation made by any Person, against BeiGene or any of its Affiliates that alleges that any BeiGene IP is invalid or unenforceable;

11.2.3 As of the Execution Date and the Antitrust Clearance Date, neither BeiGene nor any of its Affiliates are subject to any payment obligations to Third Parties as a result of the execution or performance of this Agreement;

11.2.4 As of the Execution Date and the Antitrust Clearance Date, BeiGene has all rights, authorizations and consents necessary to grant all rights and licenses it purports to grant to Celgene with respect to the BeiGene IP and other Licensed Assets under this Agreement;

11.2.5 As of the Execution Date and the Antitrust Clearance Date, neither BeiGene nor any of its Affiliates has granted any right or license to any Third Party relating to any of the BeiGene IP or any other Licensed Asset that conflicts with or limits the scope of any of the rights or licenses granted to Celgene hereunder;

11.2.6 As of the Execution Date and the Antitrust Clearance Date, neither BeiGene nor any of its Affiliates has granted any mortgage, pledge, claim, security interest, encumbrance, lien or other charge of any kind on the BeiGene IP or other Licensed Asset, and the BeiGene IP and the other Licensed Assets are free and clear of any mortgage, pledge, claim, security interest, encumbrance, lien or charge of any kind;

11.2.7 As of the Execution Date, neither BeiGene nor its Affiliates has received any written notice of any claim that any Patent or Know-How (including any trade secret right) owned or controlled by a Third Party would be infringed or misappropriated by the Development, Manufacture, or Commercialization of any Licensed Compound, Licensed Product or Licensed Diagnostic Product;

11.2.8 As of the Execution Date, to BeiGene's Knowledge, the Development, Manufacture and Commercialization of the Licensed Compounds, Licensed Products and/or Licensed Diagnostic Products does not violate, infringe, or misappropriate or otherwise conflict or interfere with any valid intellectual property or proprietary right of any Person, [...***...];

11.2.9 As of the Execution Date, there are no claims, judgments, settlements, litigations, suits, actions or arbitrations, or judicial, legal, administrative or other proceedings, or governmental investigations, in each case, pending or, to BeiGene's Knowledge, threatened against BeiGene or any of its Affiliates which would be reasonably expected to adversely affect or restrict the ability of BeiGene to consummate or perform the transactions contemplated under this Agreement, or which would affect the BeiGene IP or other Licensed Assets, or BeiGene's Control thereof, or any of the Licensed Compounds, Licensed Products or Licensed Diagnostic Products;

11.2.10 As of the Execution Date, neither BeiGene nor any of its Affiliates has issued a claim against a Third Party alleging that a Third Party is infringing (or has infringed) or misappropriating (or has misappropriated) any BeiGene IP, and, to BeiGene's Knowledge, the BeiGene IP is not being infringed or misappropriated by any Third Party;

11.2.11 As of the Execution Date and the Antitrust Clearance Date, BeiGene (and its Affiliates) has not employed or otherwise used in any capacity, the services of any Person suspended, proposed for debarment or debarred under United States law, including under 21 U.S.C. 335a or any foreign equivalent thereof, with respect to the Licensed Compounds, Licensed Products or Licensed Diagnostic Products, or otherwise in performing any portion of their Development or Manufacture. All Manufacture and Development (including non-clinical studies and Clinical Studies) related to any Licensed Compound, Licensed Product or Licensed Diagnostic Product conducted on behalf of BeiGene or its Affiliates prior to the Antitrust Clearance Date has been conducted in accordance with all Laws, including GLP, GCP and cGMP;

11.2.12 As of the Execution Date and the Antitrust Clearance Date, neither BeiGene nor any of its Affiliates has entered into any agreement under which BeiGene or any of its Affiliates (a) has obtained a license or sublicense of rights from a Third Party to (i) any Licensed Compound, Licensed Product or Licensed Diagnostic Product or (ii) any BeiGene IP, or (b) has granted a license, sublicense, option or right to a Third Party that remains in effect as of the

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Execution Date to Develop, Manufacture or Commercialize any Licensed Compound, Licensed Product or Licensed Diagnostic Product;

11.2.13 As of the Execution Date and the Antitrust Clearance Date, other than the agreements set forth on Schedule 11.2.13 (the " **Existing Product Agreements** "), neither BeiGene nor any of its Affiliates is a party to, or otherwise bound by, any agreements relating to, in whole or in part, (a) the Manufacture or Commercialization of any Licensed Compound, Licensed Product or Licensed Diagnostic Product in the Field in the Celgene Territory, [...***...] or (b) the use of the BeiGene IP in connection with the foregoing activities under clause (a) or (c) any other agreement involving the license, transfer or assignment of BeiGene IP (excluding agreements with CROs and other contractors relating to the performance of activities in support of BeiGene's and its Affiliates' Development of Licensed Compound, Licensed Product or Licensed Diagnostic Products where the license grant was a non-exclusive right limited to performing services under such agreement). BeiGene has provided Celgene with true, correct and complete copies of each Existing Product Agreement;

11.2.14 As of the Execution Date and the Antitrust Clearance Date, except for the Existing Product Agreements [...***...], neither BeiGene or any of its Affiliates is a party to, or otherwise bound by, any agreements relating to, in whole or in part, the Development, Manufacture or Commercialization of any Licensed Compound, Licensed Product or Licensed Diagnostic Product either (a) in the BeiGene Territory or (b) in the Heme Field in the Celgene Territory or in the BeiGene Territory;

11.2.15 As of the Execution Date, with respect to each Existing Product Agreement, (a) it is in full force and effect; (b) neither BeiGene nor any of its Affiliates is in breach thereof; and (c) neither BeiGene nor any of its Affiliates has received any notice from the counterparty to any such Existing Product Agreement of BeiGene's (or its Affiliate's) breach or notice of threatened breach by BeiGene (or any of its Affiliates);

11.2.16 As of the Execution Date, BeiGene has provided to Celgene true, correct and complete copies of (a) all Existing Regulatory Materials, (b) all other material information and data, and (c) all other material correspondences to/from any Regulatory Authority, in each case related to any Licensed Compound, Licensed Product or Licensed Diagnostic Product;

11.2.17 As of the Execution Date, other than the Existing Regulatory Materials, neither BeiGene nor any of its Affiliates has obtained, or filed, any INDs, MAAs or Regulatory Approvals or any other form of regulatory application for approval of Clinical Trials, marketing or other purpose, for any Licensed Compound, Licensed Product or Licensed Diagnostic Product for use in the Field in the Celgene Territory, and, to BeiGene's Knowledge, no other Person has obtained, or filed for, any such INDs, MAAs or Regulatory Approvals. The Existing Regulatory Materials are in full force and good standing, and neither BeiGene nor any of its Affiliates has received any notice in writing, or otherwise has knowledge of any facts, which have, or reasonably could have, led BeiGene (or its Affiliate) to believe that the Existing Regulatory Materials are not currently in, or may not remain in, good standing with the applicable Regulatory Authority;

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

11.2.18 As of the Execution Date, BeiGene has provided to Celgene all material adverse information with respect to the safety and efficacy of any Licensed Compound, Licensed Product or Licensed Diagnostic Product known to BeiGene or its Affiliate;

11.2.19 [*Intentionally omitted*]

11.2.20 As of the Execution Date and the Antitrust Clearance Date, neither BeiGene nor any of its Affiliates owns or controls (through license or otherwise) any PD-1 Antagonist, other than the Licensed Compounds (all of which are set forth on Schedule 1.57(a)), and neither BeiGene nor its Affiliates are conducting, or in the past twelve (12) months have conducted, any Development, Manufacturing or Commercialization of any PD-1 Antagonist, other than the Licensed Compound set forth on Schedule 1.57(a)); and

11.2.21 all information and data provided by or on behalf of BeiGene to Celgene on or before the Execution Date in contemplation of this Agreement or the transactions contemplated hereby was and is true and accurate and complete in all material respects, and BeiGene has not failed to disclose, or cause to be disclosed, any material information or data that could reasonably be expected to cause the information and data that has been disclosed to be misleading in any material respect.

11.3 Covenants .

11.3.1 Mutual Covenants . Each Party hereby covenants to the other Party that:

(a) all employees of such Party or its Affiliates or Third Party subcontractors working under this Agreement will be under appropriate confidentiality provisions at least as protective as those contained in this Agreement and, to the extent permitted under Law, the obligation to assign all right, title and interest in and to their inventions and discoveries, whether or not patentable, to such Party as the sole owner thereof;

(b) to its knowledge, such Party will not (i) employ or use, nor hire or use any contractor or consultant that employs or uses, any individual or entity, including a clinical investigator, institution or institutional review board, debarred or disqualified by the FDA (or subject to a similar sanction by any Regulatory Authority outside the United States) or (ii) employ any individual who or entity that is the subject of an FDA debarment investigation or proceeding (or similar proceeding by any Regulatory Authority outside the United States), in each of subclauses (i) and (ii) in the conduct of its activities under this Agreement;

(c) neither Party nor any of its Affiliates shall, during the Term, grant any right or license to any Third Party relating to any of the intellectual property rights it owns or Controls which would conflict with any of the rights or licenses granted to the other Party hereunder; and such Party and its Affiliates shall perform its activities pursuant to this Agreement in compliance (and shall ensure compliance by any of its subcontractors) in all material respects with all Laws, including GCP, GLP and cGMP as applicable and with respect to the research, Development, Manufacturing and Commercialization activities contemplated hereunder.

11.3.2 BeiGene Covenants . BeiGene hereby covenants to Celgene that:

(a) Except as otherwise expressly permitted under this Agreement, commencing on the Execution Date until the end of the Term, BeiGene and its Affiliates will not (i) assign, transfer, convey, encumber (including any liens or charges) or dispose of, or enter into any agreement with any Third Party to assign, transfer, convey, encumber (including any liens or charges) or dispose of, any BeiGene IP or any rights to any Licensed Compound, Licensed Product or Licensed Diagnostic Product (collectively, the " **Licensed Assets** "), except to the extent such assignment, transfer, conveyance, encumbrance or disposition does not conflict with or adversely affect any of the rights or licenses granted to Celgene hereunder, (ii) license or grant to any Third Party, or agree to license or grant to any Third Party, any rights to any Licensed Assets if such license or grant conflicts with or adversely affects any of the rights or licenses granted to Celgene hereunder, or (iii) disclose any Confidential Information relating to the Licensed Assets to any Third Party if such disclosure could impair or conflict in any respect with any of the rights or licenses granted to Celgene hereunder, except to the extent such disclosure is reasonably necessary for BeiGene's prosecution and maintenance of the BeiGene Patents or to Regulatory Authorities in the Heme Field or in the BeiGene Territory, or otherwise as expressly permitted under this Agreement.

(b) BeiGene will satisfy all of its obligations (and will cause its Affiliates to satisfy their obligations) under each Existing Product Agreement and will maintain each Existing Product Agreement in full force and effect. BeiGene will not (and will cause its Affiliates not to) amend, modify or terminate such agreements, and will not breach such agreements, if such amendment, modification, termination or breach could adversely affect Celgene's rights or licenses under this Agreement. BeiGene will not (and will cause its Affiliates not to) assign or otherwise transfer any Existing Product Agreement. BeiGene will provide Celgene with prompt written notice of any claim of a breach under any of the Existing Product Agreements or notice of termination of any of the Existing Product Agreements;

(c) BeiGene will ensure that there are no mortgages, pledges, claims, security interests, encumbrances, liens or charges of any kind granted on the BeiGene IP (or other Licensed Assets) and that the BeiGene IP (and other Licensed Assets) remains free and clear of any mortgages, pledges, claims, security interests, encumbrances, liens and charges of any kind;

(d) neither BeiGene nor any of its Affiliates will grant any right or license to any Third Party relating to any of the intellectual property rights it owns or controls (including the BeiGene IP and other Licensed Assets), or otherwise with respect to any Licensed Compound, Licensed Product or Licensed Diagnostic Product which conflicts with or adversely affects any of the rights or licenses granted to Celgene hereunder. Except (i) as set forth in Section 3.2, (ii) in connection with a Combination Regimen in accordance with the rights expressly retained by BeiGene, or as expressly permitted, under this Agreement, (iii) as otherwise expressly permitted under this Agreement, or (iv) as otherwise expressly agreed to by Celgene in writing, neither BeiGene nor any of its Affiliates will Develop, Manufacture or Commercialize (and will not grant any Third Party the right to Develop, Manufacture or Commercialize) any Licensed Compound, Licensed Product or Licensed Diagnostic Product for use in the Field in the Celgene Territory; and

(e) During the period from the Execution Date until the Effective Date, BeiGene and each of its Affiliates shall conduct its research and development with respect to Licensed Compound and the Licensed Product in the ordinary course.

(f) Within [...***...] after the Effective Date, each Party shall notify the other Party in writing if it or any of its Affiliates becomes aware that the representations and warranties made by it pursuant to this ARTICLE 11 as of the Execution Date or the Antitrust Clearance Date, as applicable, are not true and correct in any material respects on and as of the Effective Date as though made on and as of the Effective Date; provided, for clarity, solely with respect to representations and warranties that are not expressly stated to be made as of the Effective Date, that such notification shall not imply that any such representation or warranty is made as of the Effective Date.

11.4 Disclaimer . EACH PARTY AGREES AND ACKNOWLEDGES THAT EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR EXTENDS ANY WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED (AND EACH PARTY HEREBY EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES NOT EXPRESSLY PROVIDED IN THIS AGREEMENT), INCLUDING WITH RESPECT TO ANY PATENTS OR KNOW-HOW, INCLUDING WARRANTIES OF VALIDITY OR ENFORCEABILITY OF ANY PATENTS, TITLE, QUALITY, COMPLETENESS, ACCURACY, MERCHANTABILITY, FITNESS FOR A PARTICULAR USE OR PURPOSE, PERFORMANCE, AND NONINFRINGEMENT OF ANY THIRD PARTY PATENTS OR OTHER INTELLECTUAL PROPERTY RIGHTS. WITHOUT LIMITING THE FOREGOING, EACH PARTY AGREES AND ACKNOWLEDGES THAT NEITHER PARTY MAKES ANY REPRESENTATION, WARRANTY OR GUARANTEE THAT THE DEVELOPMENT, MANUFACTURE OR COMMERCIALIZATION OF LICENSED COMPOUND, LICENSED PRODUCT OR LICENSED DIAGNOSTIC PRODUCT WILL BE SUCCESSFUL, OR THAT ANY OTHER PARTICULAR RESULTS WILL BE ACHIEVED WITH RESPECT TO ANY LICENSED COMPOUND, LICENSED PRODUCT OR LICENSED DIAGNOSTIC PRODUCT HEREUNDER.

ARTICLE 12
INDEMNIFICATION; INSURANCE

12.1 Indemnification by Celgene . Celgene will indemnify, defend and hold harmless BeiGene, its Affiliates and its and their respective directors, officers, employees, agents, successors and assigns (collectively, the " **BeiGene Indemnitees** "), from and against any and all Third Party Damages to the extent arising out of or resulting from any Third Party Claim based upon:

(a) the negligence or willful misconduct of Celgene or its Affiliates or Sublicensees or its or their respective directors, officers, employees or agents, in connection with Celgene's performance of its obligations under this Agreement;

(b) any breach by Celgene of any of its representations, warranties, covenants, agreements or obligations under this Agreement; or

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(c) the [...***...] by Celgene or its Affiliates or Sublicensees of any [...***...] in the Field in the Celgene Territory (other than in connection with any intellectual property infringement);

in each case (a)-(c), provided, however, that such indemnity will not apply to the extent BeiGene has an indemnification obligation pursuant to Section 12.2 for such Third Party Damages.

12.2 Indemnification by BeiGene . BeiGene will indemnify, defend and hold harmless Celgene, its Affiliates and its and their respective directors, officers, employees, agents, successors and assigns (collectively, the " **Celgene Indemnitees** "), from and against any and all Third Party Damages to the extent arising out of or resulting from any Third Party Claim based upon:

(a) the negligence or willful misconduct of BeiGene or its Affiliates or licensees or its or their respective directors, officers, employees or agents, in connection with BeiGene's performance of its obligations under this Agreement;

(b) any breach by BeiGene of any of its representations, warranties, covenants, agreements or obligations under this Agreement;

(c) the [...***...] of any [...***...] by BeiGene or its Affiliates or licensees prior to the Effective Date or after the end of the Term; or

(d) the [...***...] by BeiGene or its Affiliates or licensees of any [...***...] (i) in the Heme Field, anywhere in the world, or (ii) in the BeiGene Territory.

in each case (a)-(d), provided, however, that such indemnity will not apply to the extent Celgene has an indemnification obligation pursuant to Section 12.1 for such Third Party Damages.

12.3 Procedure . If a Party is seeking indemnification under Section 12.1 or 12.2, as applicable (the " **Indemnitee** "), it will inform the other Party (the " **Indemnitor** ") of the claim giving rise to the obligation to indemnify pursuant to Section 12.1 or 12.2, as applicable, as soon as reasonably practicable after receiving notice of the claim (provided, however, any delay or failure to provide such notice will not constitute a waiver or release of, or otherwise limit, the Indemnitee's rights to indemnification under Section 12.1 or 12.2, as applicable, except to the extent that such delay or failure materially prejudices the Indemnitor's ability to defend against the relevant claims). The Indemnitor will have the right to assume the defense of any such claim for which the Indemnitee is seeking indemnification pursuant to Section 12.1 or 12.2. The Indemnitee will cooperate with the Indemnitor and the Indemnitor's insurer as the Indemnitor may reasonably request, and at the Indemnitor's cost and expense. The Indemnitee will have the right to participate, at its own expense and with counsel of its choice, in the defense of any claim or suit that has been assumed by the Indemnitor. The Indemnitor will not settle any claim without the prior written consent of the Indemnitee, not to be unreasonably withheld; provided, however, that the Indemnitor will not be required to obtain such consent if the settlement (a) involves only the payment of money and will not result in the Indemnitee (or other BeiGene Indemnitees or Celgene Indemnitees, as applicable) becoming subject to injunctive or other similar type of relief, (b) does not require an admission by the Indemnitee (or other BeiGene Indemnitees or Celgene Indemnitees, as applicable), (c) includes an unconditional release of the Indemnitee (or other BeiGene Indemnitees or Celgene Indemnitees, as applicable) from all liability on claims that are

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the subject matter of such proceeding and (d) if Celgene is the Indemnitee, does not adversely affect the rights or licenses granted to Celgene under this Agreement. The Indemnitee will not settle or compromise any such claim without the prior written consent of the Indemnitor, which it may provide in its sole discretion. If the Parties cannot agree as to the application of Section 12.1 or 12.2, as applicable, to any claim, pending resolution of the dispute pursuant to Section 14.7, the Parties may conduct separate defenses of such claims, with each Party retaining the right to claim indemnification from the other Party in accordance with Section 12.1 or 12.2, as applicable, upon resolution of the underlying claim. In each case, the Indemnitee will reasonably cooperate with the Indemnitor, and will make available to the Indemnitor all pertinent information under the control of the Indemnitee, which information will be subject to Article 10.

12.4 Insurance. During the Term and for a period of [...***...] thereafter, each Party will maintain, at its cost, a program of insurance or self-insurance against liability and other risks associated with its activities and obligations under this Agreement (including, with respect to its Clinical Trials), and its indemnification obligations hereunder, in such amounts, subject to such deductibles and on such terms as are customary for such Party for the activities to be conducted by it under this Agreement. It is understood that such insurance will not be construed to create a limit on either Party's liability with respect to its indemnification obligations under this Article 12 or otherwise.

12.5 LIMITATION OF LIABILITY. EACH PARTY AGREES AND ACKNOWLEDGES THAT NEITHER BEIGENE NOR CELGENE, NOR ANY OF THEIR RESPECTIVE AFFILIATES WILL BE LIABLE TO THE OTHER PARTY TO THIS AGREEMENT OR ITS AFFILIATES UNDER OR IN CONNECTION WITH THIS AGREEMENT FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE OR EXEMPLARY DAMAGES (INCLUDING LOST PROFITS OR LOST REVENUES), WHETHER LIABILITY IS ASSERTED IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT PRODUCT LIABILITY), INDEMNITY, CONTRIBUTION OR OTHERWISE, AND IRRESPECTIVE OF WHETHER THAT PARTY OR ANY REPRESENTATIVE OF THAT PARTY HAS BEEN ADVISED OF, OR OTHERWISE MIGHT HAVE ANTICIPATED THE POSSIBILITY OF, ANY SUCH LOSS OR DAMAGE. NOTWITHSTANDING THE FOREGOING, [...***...].

ARTICLE 13
LICENSE TERM AND TERMINATION

13.1 Term; Expiration.

13.1.1 Term. Subject to ARTICLE 15, this Agreement will become effective on the Effective Date and, unless earlier terminated in accordance with this Article 13, will remain in effect until it expires as follows (the "**Term**")

(a) on a Licensed Product-by-Licensed Product and country-by-country basis, this Agreement will expire on the date of the expiration of the Royalty Term with respect to such Licensed Product in such country (for clarity, in each case subject to the provisions of this Agreement that survive expiration or termination as set forth in Section 13.8.2); and

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(b) in its entirety upon the expiration of all applicable Royalty Terms under this Agreement with respect to all Licensed Products in all countries in the Celgene Territory.

13.1.2 Effect of Expiration. After the expiration of the Term pursuant to Section 13.1.1 above, the following terms will apply:

(a) Licenses after Licensed Product Expiration. After expiration of the Royalty Term with respect to a given Licensed Product in a given country pursuant to Section 13.1.1(a), (i) the licenses set forth in Section 7.1 with respect to such Licensed Product (and the Licensed Compound contained therein) and related Licensed Diagnostic Products in such country will automatically become fully paid-up, perpetual, irrevocable and royalty-free and (ii) the rights of reference set forth in Section 4.5.4 will automatically become perpetual and irrevocable with respect to such Licensed Product (and the Licensed Compound contained therein) and related Licensed Diagnostic Products in such country.

(b) Licenses after Expiration of Agreement. After expiration of the Term with respect to this Agreement in its entirety pursuant to this Section 13.1.2(b), (i) the licenses set forth in Section 7.1 will automatically become fully paid-up, perpetual, irrevocable and royalty-free and (ii) the rights of reference set forth in this Agreement will automatically become perpetual and irrevocable.

13.2 Termination for Material Breach.

13.2.1 Material Breach. This Agreement may be terminated by a Party for the material breach by the other Party of this Agreement; provided that the breaching Party has not cured such breach within [...***...] after the date of written notice to the breaching Party of such breach (the " **Cure Period** "), which notice will describe such breach in reasonable detail and will state the non-breaching Party's intention to terminate this Agreement pursuant to this Section 13.2. For clarity, but subject to Section 13.2.2, the Cure Period for any allegation as to a material breach under this Agreement will run from the date that written notice was first provided to the breaching Party by the non-breaching Party. Any such termination of this Agreement under this Section 13.2.2 will become effective at the end of the Cure Period, unless the breaching Party has cured any such material breach prior to the expiration of such Cure Period, or, if such material breach is not susceptible to cure within the Cure Period, then such Cure Period will be extended for an additional [...***...] so long as the breaching Party continues to use commercially reasonable efforts to cure such material breach during such extension period.

13.2.2 Disagreement as to Material Breach. If the Parties reasonably and in good faith disagree as to whether there has been a material breach pursuant to Section 13.2, then: (a) the Party that disputes that there has been a material breach may contest the allegation by referring such matter, within [...***...] following such notice of alleged material breach, for resolution to the Executive Officers, who will meet promptly to discuss the matter and determine, within [...***...] following referral of such matter, whether or not a material breach has occurred pursuant to Section 13.2; provided that if the Executive Officers are unable to resolve such dispute within such [...***...] period after it is referred to them, the matter will be resolved as provided in Section 14.7; (b) the relevant Cure Period with respect thereto will be tolled from the date the breaching

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Party notifies the non-breaching Party of such dispute and through the resolution of such dispute in accordance with the applicable provisions of this Agreement; (c) subject to Section 13.7, during the pendency of such dispute, all of the terms and conditions of this Agreement will remain in effect and the Parties will continue to perform all of their respective obligations hereunder; and (d) if it is ultimately determined that the breaching Party committed such material breach, then the breaching Party will have the right to cure such material breach after such determination within the Cure Period which will commence as of the date of such determination.

13.3 Voluntary Termination . Celgene may terminate this Agreement, in its sole discretion, in its entirety upon thirty (30) days' prior written notice to BeiGene hereunder at any time, provided that (a) any termination by Celgene under this Section 13.3 while Celgene is in breach of Section 7.5 (*Celgene Exclusivity*) or (b) subsequent to Celgene's acquisition of an Acquired Competing Product, but in either case of (a) or (b) prior to Celgene's completion of one of the alternative set forth in Section 7.5.3(a) through (c) inclusive, shall be treated as a termination pursuant to Section 13.2 as a direct result of Celgene's material breach of Section 7.5, or Celgene's termination of this Agreement pursuant to Section 7.5.3(d), and Section 13.5.1(c)(i) through (iv) inclusive shall apply.

13.4 Termination for Bankruptcy . If either Party makes a general assignment for the benefit of creditors, appoints or suffers appointment of a receiver or trustee over all or substantially all of its property, files a petition under any bankruptcy or insolvency act or has any such petition filed against it which is not dismissed, discharged, bonded or stayed within [...***...] after the filing thereof, the other Party may terminate this Agreement in its entirety, effective immediately upon written notice to such Party, provided that, in connection therewith, the provisions of Section 7.6 will apply.

13.5 Effects of Expiration or Termination; Additional Remedies .

13.5.1 Termination by BeiGene Pursuant to Section 13.2 or 13.4, or by Celgene Pursuant to Section 13.3 (for clarity, including a termination under Section 13.3 pursuant to Section 7.5.3(d) . In the event this Agreement is terminated by BeiGene Pursuant to Section 13.2 or 13.4, or by Celgene pursuant to Section 13.3, upon the effective date of such termination:

(a) except as set forth in this Section 13.5.1 or Section 13.8, all rights and licenses granted herein to Celgene will terminate and all rights and licenses granted to BeiGene shall become perpetual (subject to BeiGene making any required payments to Third Parties in connection with agreements entered into by Celgene prior to the effective date of termination pursuant to which BeiGene is granted a sublicense under this Agreement; which for clarity, does not include any payments in connection with sales by Celgene, its Affiliates or Sublicensees);

(b) each Party will return or destroy all Confidential Information of the other Party as required by Article 10, provided that BeiGene shall be entitled to retain and use any Confidential Information within the scope of any right and license granted herein to BeiGene;

(c) solely in the event that BeiGene terminates this Agreement in its entirety pursuant to Section 13.2 as a direct result of Celgene's material breach of Section 7.5, or Celgene terminates this Agreement pursuant to Section 7.5.3(d) then, at the election of BeiGene

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(which election must be made in writing to Celgene within [...***...] following termination), the following shall apply, at no charge to BeiGene:

(i) Celgene shall grant to BeiGene, a non-exclusive license in the Celgene Territory under the Celgene Termination Know-How and Celgene Termination Patents to Develop and Commercialize Licensed Compound, Licensed Product and Licensed Diagnostic Product in the Field in the Celgene Territory, including for use in a Single Agent Regimen or a Combination Regimen(each such Licensed Compound, Licensed Product or Licensed Diagnostic Product, a " **Terminated Product** "), but solely to the extent that such Celgene Termination Know-How and Celgene Termination Patents are necessary for BeiGene to continue the Development and Commercialization of Terminated Product in the Field in the Celgene Territory; provided that such license shall be contingent upon BeiGene entering into a written agreement with Celgene to reimburse Celgene for any amounts owed by Celgene (or its Affiliates) to a Third Party solely in connection with the grant or exercise of such license and to comply with the terms and conditions of any applicable agreement(s) between Celgene (or its Affiliate) and such Third Party;

(ii) Promptly following the effective date of such termination, Celgene shall transfer and assign to BeiGene all of its (and its Affiliates) material Regulatory Approvals relating solely and exclusively to each Terminated Product that is in Development or being Commercialized as of the date or termination of this Agreement, in each case, to the extent such Regulatory Approvals are transferable and Celgene is legally permitted to do so; and

(iii) At Celgene's option, Celgene shall either transition to BeiGene or wind-down as soon as reasonably practicable (in accordance with customary industry practices and taking into account ethical considerations) any Clinical Trials of the Terminated Product that are being conducted by Celgene (or its Affiliate) and are ongoing as of the effective date of termination of this Agreement; and

(iv) Solely if this Agreement was so terminated by BeiGene in its entirety as a direct result of Celgene's material breach of Section 7.5, or by Celgene pursuant to Section 7.5.3(d), Celgene will pay to BeiGene an amount of [...***...]. Notwithstanding the foregoing, if (A) Celgene is acquired prior to the [...***...] anniversary of the Execution Date and otherwise in breach of Section 7.5, Celgene shall only be required to pay BeiGene [...***...] and (B) Celgene is acquired on or after the [...***...] anniversary of the Execution Date, no payment shall be due under this clause (iv). BEIGENE HEREBY ACKNOWLEDGES AND AGREES THAT IF BEIGENE ELECTS THE REMEDIES UNDER THIS SECTION, THEN ALL OTHER REMEDIES (INCLUDING ANY RIGHT TO SEEK DAMAGES OR OTHER LIABILITIES, WHETHER IN LAW, EQUITY, TORT, INDEMNITY OR OTHERWISE) THAT MAY OTHERWISE BE AVAILABLE TO BEIGENE (OR ANY OF ITS AFFILIATES) AS A RESULT OF, OR IN CONNECTION WITH, A MATERIAL BREACH OF THIS AGREEMENT BY CELGENE (OR ANY OF ITS AFFILIATES) SHALL BE, AND HEREBY ARE, WAIVED IN FULL BY BEIGENE (AND ITS AFFILIATES) AND THE REMEDIES SET FORTH IN THIS SECTION SHALL BE THE SOLE AND EXCLUSIVE REMEDIES AVAILABLE TO BEIGENE (AND ITS AFFILIATES) IN THE EVENT OF A MATERIAL BREACH OF THIS AGREEMENT BY CELGENE (OR ANY OF ITS AFFILIATES).

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As used herein, (1) the term " **Celgene Termination Know-How** " means Know-How owned by Celgene (or its Affiliate) as of the effective date of termination of this Agreement that has been actually incorporated by Celgene into a Licensed Compound, Licensed Product or Licensed Diagnostic Product, or used to Manufacture a Licensed Compound, Licensed Product or Licensed Diagnostic Product as of the effective date of termination of this Agreement, but solely to the extent that Celgene has the right to grant to BeiGene a license to such Know-How without violating the terms of any then-existing agreement with any Third Party as of the effective date of termination of this Agreement, and (2) the term " **Celgene Termination Patents** " means Patents owned by Celgene (or its Affiliate) as of the effective date of termination of this Agreement that claim the Celgene Termination Know-How, but solely to the extent that Celgene has the right to grant to BeiGene a license to such Know-How without violating the terms of any then-existing agreement with any Third Party as of the effective date of termination of this Agreement; provided that, in all cases, "Celgene Termination Know-How" and "Celgene Termination Patents" shall exclude any Know-How or Patents to the extent related to any proprietary compound or product of Celgene or any of its Affiliates.

(d) subject to Section 13.5.1(c), at the written request of BeiGene (which must be delivered within [...***...] after the termination of this Agreement), the Parties will discuss financial and other terms under which Celgene may be willing to grant rights to BeiGene with respect to other Celgene Know-How or Celgene Patents that may be useful (but which are not necessary) for BeiGene to continue the Development and Commercialization of the Terminated Product in the Field in the Celgene Territory;

(e) notwithstanding the foregoing provisions of this Section 13.5.1, the licenses granted to Celgene hereunder will survive for [...***...] following the effective date of termination in order for Celgene (and its Affiliates, sublicensees and distributors), at Celgene's discretion, during the [...***...] period immediately following the effective date of termination, to (i) finish or otherwise wind-down any ongoing Clinical Trials with respect to any Licensed Compounds, Licensed Products or Licensed Diagnostic Products hereunder and (ii) finish and sell any work-in-progress and any Licensed Compounds, Licensed Products and Licensed Diagnostic Products remaining in inventory; provided that, for clarity, Celgene will have no obligation to undertake such activities, in each case of (i) and (ii), as and to the extent determined by Celgene;

13.5.2 Termination by Celgene Pursuant to Section 13.2 or 13.4 . In the event this Agreement is terminated by Celgene pursuant to Section 13.2 or 13.4, upon the effective date of such termination:

(a) except as set forth in this Section 13.5.2 or Section 13.8, all rights and licenses granted herein will terminate;

(b) each Party will return or destroy all Confidential Information of the other Party as required by Article 10; and

(c) notwithstanding the foregoing provisions of this Section 13.5.2, the licenses granted to Celgene hereunder will survive for [...***...] following the effective date of termination in order for Celgene (and its Affiliates, sublicensees and distributors), at Celgene's discretion, during the [...***...] period immediately following the effective date of termination, to

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(i) finish or otherwise wind-down any ongoing Clinical Trials with respect to any Licensed Compounds, Licensed Products or Licensed Diagnostic Products hereunder and (ii) finish and sell any work-in-progress and any Licensed Compounds, Licensed Products and Licensed Diagnostic Products remaining in inventory (subject to Celgene continuing to pay all Royalties and milestone payments due in connection with such sales); provided that, for clarity, Celgene will have no obligation to undertake such activities, in each case of (i) and (ii), as and to the extent determined by Celgene.

13.6 Survival of Sublicensees. Notwithstanding the foregoing, termination of this Agreement will be construed as a termination of any sublicenses of BeiGene IP to any Sublicensee hereunder; provided, however, that at the written request of Celgene, BeiGene will grant to such Sublicensee a direct license under the BeiGene IP provided that such Sublicensee is then in good standing under its sublicense agreement and such Sublicensee enters into a written agreement with BeiGene assuming the financial and other obligations of Celgene hereunder that are reasonably applicable to the Sublicensee's activities.

13.7 Automatic Reimbursement Payments. Notwithstanding anything to the contrary contained herein, in the event notice of termination of this Agreement is given prior to Celgene being deemed to have elected to reimburse BeiGene for Reimbursable Development Costs under Section 8.3, Celgene will not be deemed to make such election and will not be obligated to make any Reimbursable Development Costs to BeiGene triggered by any events after the notice of termination.

13.8 Surviving Provisions.

13.8.1 Accrued Rights; Remedies. Termination or expiration of this Agreement for any reason will be without prejudice to any rights that will have accrued to the benefit of any Party prior to such termination or expiration, and any and all damages or remedies (whether in law or in equity) arising from any breach hereunder, each of which will survive termination or expiration of this Agreement. Such termination or expiration will not relieve any Party from obligations which are expressly indicated to survive termination or expiration of this Agreement. Except as otherwise expressly set forth in this Agreement, the termination provisions of this Article 13 are in addition to any other relief and remedies available to either Party under this Agreement and at Law.

13.8.2 Survival. Without limiting the provisions of Section 13.8.1, any payment obligations that accrued prior to the date of expiration or termination of this Agreement, and the rights and obligations of the Parties set forth in the following Sections and Articles of this Agreement will survive the expiration or termination of this Agreement, in addition to those other terms and conditions that are expressly stated to survive termination or expiration of this Agreement: Articles 1 (Definitions), 10 (Confidentiality), 12 (Indemnification; Insurance), 13 (License Term and Termination), and 14 (Miscellaneous), and Sections 4.7.2(b) (Global Safety Database), 8.3.4 (Audit; Non-Reimbursable Costs) (for a period of [...***...] after the end of the Calendar Year to which the applicable records pertain), 8.7.2(b) (Tax Withholding); 8.7.3 (Late Payments), 8.8.1 (Records), 8.8.2 (Review) (for a period of [...***...] after the end of the Calendar Year to which the applicable records pertain), 8.8.3 (Records Final), 9.1 (Ownership), 9.2 (Prosecution and Maintenance of BeiGene Patents; Joint Patents) (with respect to Joint Patents

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only), 9.3 (Enforcement of BeiGene Patents and Joint Patents)(with respect to Joint Patents only), and Section 15.5 (No Further Obligations).

13.9 Relationship to Equity Agreement. Termination of this Agreement will not affect in any way the terms or provisions of the Equity Agreement.

ARTICLE 14
MISCELLANEOUS

14.1 Severability. If any one or more of the terms or provisions of this Agreement is held by a court of competent jurisdiction or arbitrator to be void, invalid or unenforceable in any situation in any jurisdiction, such holding will not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the invalid, void or unenforceable term or provision in any other situation or in any other jurisdiction and the term or provision will be considered severed from this Agreement, unless the invalid, void or unenforceable term or provision is of such essential importance to this Agreement that it is to be reasonably assumed that the Parties would not have entered into this Agreement without the invalid, void or unenforceable term or provision. If the final judgment of such court or arbitrator declares that any term or provision hereof is invalid, void or unenforceable, the Parties agree to (a) reduce the scope, duration, area or applicability of the term or provision or to delete specific words or phrases to the minimum extent necessary to cause such term or provision as so reduced or amended to be enforceable, and (b) make a good faith effort to replace any invalid, void or unenforceable term or provision with a valid and enforceable one such that the objectives contemplated by the Parties when entering this Agreement may be realized.

14.2 Notices. Any notice required or permitted to be given by this Agreement will be in writing and in English and will be (a) delivered by hand or by overnight courier with tracking capabilities, (b) mailed postage prepaid by first class, registered, or certified mail, or (c) delivered by facsimile followed by delivery via either of the methods set forth in Sections 14.2(a) and (b), in each case, addressed as set forth below unless changed by notice so given:

If to Celgene Corp.:

Celgene Corporation
86 Morris Avenue
Summit, NJ 07901
Attention: Senior Vice President Business Development
Facsimile: [...***...]

If to Celgene LLC:

Celgene Switzerland LLC
86 Morris Avenue
Summit, NJ 07901
United States of America
Attention: [...***...]

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With copies to (in the case of either Celgene Corp. or Celgene LLC):

Celgene Corporation
86 Morris Avenue
Summit, New Jersey 07901
Attention: General Counsel
Facsimile: [...***...]

If to BeiGene:

BeiGene, Ltd.
c/o Mourant Ozannes Corporate Services (Cayman) Limited
94 Solaris Avenue
Camana Bay
Grand Cayman KY1-1108, Cayman Islands
Attention: Chairman and Chief Executive Officer
Fax: [...***...]

Any such notice will be deemed given on the date received, except any notice received after 5:30 p.m. (in the time zone of the receiving party) on a Business Day or received on a non-Business Day will be deemed to have been received on the next Business Day. A Party may add, delete, or change the person or address to which notices should be sent at any time upon written notice delivered to the other Parties in accordance with this Section 14.2.

14.3 Force Majeure . A Party will not be liable for delay or failure in the performance of any of its obligations hereunder if such delay or failure is due to a cause beyond the reasonable control of such Party, including acts of God, fires, earthquakes, acts of war, terrorism, or civil unrest, or hurricane or other inclement weather (" **Force Majeure** "); provided, however, that the affected Party promptly notifies the other Party and further provided that the affected Party will use its Commercially Reasonable Efforts to avoid or remove such causes of non-performance and to mitigate the effect of such occurrence, and will continue performance in accordance with the terms of this Agreement whenever such causes are removed. When such circumstances arise, the Parties will negotiate in good faith any modifications of the terms of this Agreement that may be necessary or appropriate in order to arrive at an equitable solution.

14.4 Assignment .

14.4.1 Generally . Except as expressly permitted herein, this Agreement may not be assigned or transferred by any Party in whole or in part, nor may any Party assign or transfer any rights or obligations created by this Agreement, in each case, whether by operation of Law, assignment, succession or otherwise, except as expressly permitted hereunder without the prior written consent of the other Party, which consent will not be unreasonably withheld.

14.4.2 Celgene . Notwithstanding the limitations in Section 14.4.1, but subject to the remaining provisions of this Section 14.4.2, Celgene Corp. and Celgene LLC may assign or transfer this Agreement, or any rights or obligations hereunder in whole or in part, to (a) one or

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more Affiliates (provided, however, that a Party assigning to an Affiliate will remain fully and unconditionally liable and responsible to the non-assigning Party hereto for the performance and observance of all such duties and obligations by such Affiliate); or (b) its successor in interest in connection with the merger, consolidation, or sale of all or substantially all of its assets or that portion of its business pertaining to the subject matter of this Agreement. In the event of an assignment or transfer pursuant to the foregoing clause (b), BeiGene will have the right, in its sole discretion, by written notice delivered to Celgene (or its successor) at any time following such assignment or transfer to (i) no longer provide to Celgene and its successor any information or reports relating to activities contemplated by this Agreement, other than the reports as required by ARTICLE 8; and (ii) require Celgene and its successor to adopt reasonable procedures to be approved by BeiGene in writing to prevent disclosure of Confidential Information of BeiGene, which shall thereafter be implemented and followed by Celgene (and its successor)).

14.4.3 BeiGene . Notwithstanding the limitations in Section 14.4.1, but subject to the remaining provisions of this Section 14.4.3 and further subject to the provisions of Sections 3.3.5 and 3.4.5, BeiGene may assign or transfer this Agreement, or any rights or obligations hereunder in whole or in part, to (a) one or more Affiliates (provided, however, that a Party assigning to an Affiliate will remain fully and unconditionally liable and responsible to the non-assigning Party hereto for the performance and observance of all such duties and obligations by such Affiliate); or (b) its successor in connection with the merger, consolidation, or sale of all or substantially all of its assets. In the event of an assignment or transfer pursuant to the foregoing clause (b), Celgene will have the right, in its sole discretion, by written notice delivered to BeiGene (or its successor) at any time following such assignment or transfer to (i) no longer provide to BeiGene and its successor any information or reports relating to activities contemplated by this Agreement, other than the reports as required by ARTICLE 8; (ii) require BeiGene and its successor to adopt reasonable procedures to be approved by Celgene in writing to prevent disclosure of Confidential Information of Celgene, which shall thereafter be implemented and followed by BeiGene (and its successor); and (iii) require that BeiGene and its successor transition one or more of the Basket Programs to Celgene as and to the extent requested by Celgene, in which case BeiGene and its successor will effectuate such transition and provide to Celgene all reasonably requested assistance in connection with such transition).

14.4.4 All Other Assignments Null and Void . The terms of this Agreement will be binding upon and will inure to the benefit of the successors, heirs, administrators and permitted assigns of the applicable Party. Any purported assignment in violation of this Section 14.4 will be null and void *ab initio* .

14.4.5 Intellectual Property and Change of Control . Notwithstanding anything to the contrary in this Agreement, with respect to any intellectual property rights controlled by the acquiring party or its Affiliates (other than one of the Parties to this Agreement or its Affiliates prior to Change of Control) involved in any Change of Control of either Party, such intellectual property rights shall not be included in the technology and intellectual property rights licensed to the other Party hereunder to the extent (a) held by such acquirer or its Affiliate (other than the relevant Party to this Agreement or its Affiliates prior to Change of Control) prior to such transaction, or to the extent such technology is developed outside the scope of activities conducted with respect to this Agreement after such transaction, or (b) developed after the closing of the Change of Control transaction, and not derived from or with reference to the BeiGene IP, Celgene

Collaboration IP, Celgene Proprietary IP, or Joint IP or that otherwise does not constitute an improvement to the foregoing.

14.5 Waivers and Modifications. The failure of any Party to insist on the performance of any obligation hereunder will not be deemed to be a waiver of such obligation. Waiver of any breach of any provision hereof will not be deemed to be a waiver of any other breach of such provision or any other provision on such occasion or any succeeding occasion. This Agreement may be amended, or any term hereof modified or waived, only by a written instrument duly executed by authorized representative(s) of both Parties hereto

14.6 Choice of Law. This Agreement will be governed by, enforced, and will be construed in accordance with the Laws of New York, New York without regard to any conflicts of law provisions and excluding the United Nations Convention on Contracts for the International Sales of Goods; provided, however, that with respect to matters involving the enforcement, validity or scope of intellectual property rights, the Laws of the applicable country will apply.

14.7 Dispute Resolution.

14.7.1 Exclusive Dispute Resolution Mechanism. The Parties agree that the procedures set forth in this Section 14.7 will be the exclusive mechanism for resolving any dispute, controversy or claim between the Parties arising out of, relating to or otherwise by virtue of, this Agreement, any Party's rights or obligations under this Agreement, breach of this Agreement or the transactions contemplated by this Agreement (collectively, " **Disputes** "); provided that decisions that are subject to the decision-making authority of a given Party or the mutual agreement of the Parties, as expressly set forth in this Agreement, will not be subject to the provisions of this Section 14.7 so long as such decisions are made in accordance with this Agreement.

14.7.2 Informal Dispute Resolution. In the event of any Dispute outside the decision-making authority of the JSC, the Parties will first attempt in good faith to resolve such Dispute by negotiation and consultation between themselves. If, after [...***...], such Dispute has not been resolved on an informal basis, Celgene or Company may, at its sole discretion and by written notice to the other Party, refer the Dispute to the Executive Officers for attempted resolution by good faith negotiation within [...***...] after such notice is received. If any Dispute is not resolved, or both Parties believe that it will not be resolved, under the foregoing provisions, each Party may, at its sole discretion, seek resolution of such Dispute in accordance with Section 14.7.3.

14.7.3 Jurisdiction; Jury Trial; Equitable Relief.

(a) Except as otherwise provided in Section 14.7.3(b), the sole jurisdiction and venue for all actions, suits and proceedings arising out of a Dispute (whether in contract, tort or otherwise) will be the state and federal courts located in the Borough of Manhattan in New York, New York, U.S.A. Each Party hereby irrevocably and unconditionally (a) consents to submit to the exclusive jurisdiction of the state and federal courts located in the Borough of Manhattan in New York, New York, U.S.A. for any action, suit or proceeding arising out of a Dispute, and (b) waives any objection to the laying of venue of any action, suit or proceeding arising out of a Dispute in the state and federal courts of the Borough of Manhattan in New York,

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New York, U.S.A. and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. Each of the Parties agrees that process may be served upon it in the manner specified in Section 14.2 and irrevocably waives and covenants not to assert or plead any objection which it might otherwise have to such jurisdiction, or to such manner of service of process.

(b) EXCEPT AS LIMITED BY LAWS, EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF ANY PARTY HERETO IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF.

(c) Notwithstanding the foregoing, or anything to the contrary herein, the Parties will be entitled to seek equitable relief, including injunction and specific performance, as a remedy for any breach of this Agreement, in any court having jurisdiction. Such remedies will not be deemed to be the exclusive remedies for a breach of this Agreement but will be in addition to all other remedies available at law or equity. The Parties further agree not to raise as a defense or objection to the request or granting of such relief that any breach of this Agreement is or would be compensable by an award of money damages.

14.8 Relationship of the Parties . BeiGene and Celgene are independent contractors under this Agreement. Nothing contained herein is intended or is to be construed so as to constitute (a) BeiGene as a partner, agent, or joint venturer of Celgene or (b) Celgene as a partner, agent or joint venturer of BeiGene. Neither BeiGene nor Celgene, respectively, will have any express or implied right or authority to assume or create any obligations on behalf of or in the name of Celgene or BeiGene, respectively, or to bind Celgene or BeiGene, respectively, to any contract, agreement, or undertaking with any Third Party.

14.9 No Third Party Rights . The provisions of this Agreement are for the exclusive benefit of the Parties, and no Third Party will have any right or claim against any Party by reason of these provisions or be entitled to enforce any of these provisions against any Party.

14.10 Entire Agreement . This Agreement and the attached Schedules and Exhibits, contains the entire agreement by the Parties with respect to the subject matter hereof and supersedes any prior express or implied agreements, understandings and representations, either oral or written, which may have related to the subject matter hereof in any way, including any and all term sheets relating to the transactions contemplated by this Agreement and exchanged between the Parties prior to the Execution Date, including the Existing Confidentiality Agreement. The Parties hereby agree and acknowledge that this Agreement amends and restates the Original Agreement in its entirety and the Original Agreement is replaced with, and superseded by, this Agreement, and any activities conducted under the Original Agreement shall be deemed to have been conducted under this Agreement.

14.11 Counterparts . This Agreement may be executed in counterparts with the same effect as if both Parties had signed the same document. All such counterparts will be deemed an original, will be construed together, and will constitute one and the same instrument. Any such

counterpart, to the extent delivered by means of a fax machine or by .pdf, .tif, .gif, .jpeg or similar attachment to electronic mail (any such delivery, an " **Electronic Delivery** ") will be treated in all manner and respects as an original executed counterpart and will be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No Party hereto will raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each Party forever waives any such defense, except to the extent that such defense relates to lack of authenticity.

14.12 Equitable Relief; Cumulative Remedies . Notwithstanding anything to the contrary herein, the Parties will be entitled to seek equitable relief, including injunction and specific performance, as a remedy for any breach of this Agreement. Such remedies will not be deemed to be the exclusive remedies for a breach of this Agreement but will be in addition to all other remedies available at law or equity. The Parties further agree not to raise as a defense or objection to the request or granting of such relief that any breach of this Agreement is or would be compensable by an award of money damages. No remedy referred to in this Agreement is intended to be exclusive, but each will be cumulative and in addition to any other remedy referred to in this Agreement or otherwise available under Law.

14.13 Interpretation .

14.13.1 Generally . This Agreement has been diligently reviewed by and negotiated by and among the Parties, and in such negotiations each of the Parties has been represented by competent counsel, and the final agreement contained herein, including the language whereby it has been expressed, represents the joint efforts of the Parties and their counsel. Accordingly, in interpreting this Agreement or any provision hereof, no presumption will apply against any Party as being responsible for the wording or drafting of this Agreement or any such provision, and ambiguities, if any, in this Agreement will not be construed against any Party, irrespective of which Party may be deemed to have authored the ambiguous provision.

14.13.2 Definitions; Interpretation . The definitions of the terms herein will apply equally to the singular and plural forms of the terms defined and where a word or phrase is defined herein, each of its other grammatical forms will have a corresponding meaning. Whenever the context may require, any pronoun will include the corresponding masculine, feminine, and neuter forms. The word "shall" will be construed to have the same meaning and effect as the word "will." The word "any" means "any and all" unless otherwise clearly indicated by context. The words "including," "includes," "include," "for example," and "e.g." and words of similar import will be deemed to be followed by the words "without limitation." The word "or" is disjunctive but not necessarily exclusive. The words "hereof," "herein" and "herewith" and words of similar import will, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement. Unless the context requires otherwise or otherwise specifically provided, (a) all references herein to Articles, Sections, Schedules or Exhibits will be construed to refer to Articles, Sections, Schedules or Exhibits of this Agreement and (b) reference in any Section to any subclauses are references to such subclauses of such Section.

14.13.3 Subsequent Events . Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument, or other document herein will be construed

as referring to such agreement, instrument, or other document as from time to time amended, supplemented, or otherwise modified (subject to any restrictions on such amendments, supplements, or modifications set forth herein), (b) any reference to any Laws herein will be construed as referring to such Laws as from time to time enacted, repealed, or amended, and (c) any reference herein to any Person will be construed to include the Person's successors and assigns.

14.13.4 Headings. Headings, captions and the table of contents are for convenience only and are not to be used in the interpretation of this Agreement.

14.13.5 Prior Drafts. No prior draft of this Agreement nor any course of performance or course of dealing will be used in the interpretation or construction of this Agreement.

14.13.6 Independent Significance. Although the same or similar subject matters may be addressed in different provisions of this Agreement, the Parties intend that, except as reasonably apparent on the face of the Agreement or as expressly provided in this Agreement, each such provision will be read separately, be given independent significance and not be construed as limiting any other provision of this Agreement (whether or not more general or more specific in scope, substance or content).

14.14 Further Assurances. Each Party will execute, acknowledge and deliver such further instruments, and do all such other ministerial, administrative or similar acts, as may be necessary or appropriate in order to carry out the expressly stated purposes and the clear intent of this Agreement.

14.15 Performance by Affiliates. Celgene may use one or more of its Affiliates to perform its obligations and duties hereunder and such Affiliates are expressly granted certain rights herein; provided that each such Affiliate will be bound by the corresponding obligations of Celgene and, subject to an assignment to such Affiliate pursuant to Section 14.4, Celgene will remain liable hereunder for the prompt payment and performance of all their respective obligations hereunder. BeiGene may use one or more of its Affiliates to perform its obligations and duties hereunder and such Affiliates are expressly granted certain rights herein; provided that each such Affiliate will be bound by the corresponding obligations of BeiGene and, subject to an assignment to such Affiliate pursuant to Section 14.4, BeiGene will remain liable hereunder for the prompt payment and performance of all their respective obligations hereunder. Each Party hereby expressly waives any requirement that the other Party exhaust any right, power or remedy, or proceed against any of the first Party's Affiliates for any obligation or performance hereunder, prior to proceeding directly against such Party.

14.16 Celgene Parties. The Parties hereby acknowledge and agree that (a) Celgene Corp. is the party to this Agreement with respect to all rights and obligations of Celgene under this Agreement in the United States; and (b) Celgene LLC is the party to this Agreement with respect to all rights and obligations of Celgene under this Agreement outside of the United States.

ARTICLE 15
GOVERNMENT APPROVALS

15.1 Efforts . Each of BeiGene and Celgene will use its commercially reasonable good faith efforts to eliminate any concern on the part of any Governmental Authority regarding the legality of this Agreement including, if required by Governmental Authorities, promptly taking all steps to remove any and all impediments to consummation of the transactions contemplated by this Agreement, including obtaining government antitrust clearance, cooperating in good faith with any Governmental Authority investigation, promptly producing any documents and information and providing witness testimony if requested by a Governmental Authority.

15.2 HSR/Antitrust Filings . Each of BeiGene and Celgene will, within seven (7) Business Days after the execution of this Agreement (or such later time as may be agreed to in writing by the Parties) file with the U.S. Federal Trade Commission (" **FTC** ") and the Antitrust Division of the U.S. Department of Justice (" **DOJ** ") any HSR/Antitrust Filing required of it under the HSR Act and, as soon as practicable, file with the appropriate Governmental Authority any other HSR/Antitrust Filing required of it under any other Antitrust Law as determined in the reasonable opinion of either Party with respect to the transactions contemplated by this Agreement. The Parties shall cooperate with one another to the extent necessary in the preparation of any such HSR/Antitrust Filing. Each Party shall be responsible for its own costs, expenses and filing fees associated with any HSR/Antitrust Filing. In the event that the Parties make an HSR/Antitrust Filing under this Article 15, this Agreement shall terminate at the election of either Party, immediately upon notice to the other Party, in the event that the FTC, DOJ or other Governmental Authority obtains a preliminary injunction or final order under Antitrust Law enjoining the transactions contemplated by this Agreement. Notwithstanding anything to the contrary contained herein, except for the terms and conditions of this Article 15, the BeiGene covenants in Section 11.3.2, and any other provisions that expressly reference the period between the Execution Date and the Effective Date none of the terms and conditions contained in this Agreement shall be effective until the " **Effective Date** ," which is agreed and understood to mean the later of (a) the execution date of this Agreement, (b) the China SPA Closing Date, (c) if a determination is made pursuant to this Article 15 that an HSR/Antitrust Filing is not required to be made under any Antitrust Law for this Agreement, the date of such determination, or (d) if a determination is made pursuant to this Article 15 that an HSR/Antitrust Filing is required to be made under any Antitrust Law for this Agreement, the Antitrust Clearance Date. As used herein: (i) " **Antitrust Clearance Date** " means the earliest date on which the Parties have actual knowledge that all applicable waiting periods under the HSR Act and any comparable waiting periods as required under any other Antitrust Law, in each case with respect to the transactions contemplated by this Agreement have expired or have been terminated; and (ii) " **HSR/Antitrust Filing** " means (A) a filing by BeiGene and Celgene with the FTC and the DOJ of a Notification and Report Form for Certain Mergers and Acquisitions (as that term is defined in the HSR Act), together with all required documentary attachments thereto or (B) any comparable filing by BeiGene or Celgene required under any other Antitrust Law, in each case ((A) and (B)) with respect to the transactions contemplated by this Agreement.

15.3 Information Exchange . Each of BeiGene and Celgene will, in connection with any HSR/Antitrust Filing, (a) reasonably cooperate with each other in connection with any communication, filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party; (b) keep the other Party and/or its counsel informed of any communication received by such Party from, or given by such Party to, the FTC, the DOJ or any other U.S. or other Governmental Authority and of any communication received

or given in connection with any proceeding by a private party, in each case regarding the transactions contemplated by this Agreement; (c) consult with each other in advance of any meeting or conference with the FTC, the DOJ or any other Governmental Authority or, in connection with any proceeding by a private party, with any other Person, and to the extent permitted by the FTC, the DOJ or such other Governmental Authority or other Person, give the Parties and/or their counsel the opportunity to attend and participate in such meetings and conferences; and (d) to the extent practicable, permit the other Party and/or its counsel to review in advance any submission, filing or communication (and documents submitted therewith) intended to be given by it to the FTC, the DOJ or any other Governmental Authority; provided that materials may be redacted to remove references concerning the Other Products of Celgene. BeiGene and Celgene, as each deems advisable and necessary, may reasonably designate any competitively sensitive material to be provided to the other under this Section 15.3 as " **Antitrust Counsel Only Material** ." Such materials and the information contained therein shall be given only to the outside antitrust counsel of the recipient and will not be disclosed by such outside counsel to employees, officers or directors of the recipient unless express permission is obtained in advance from the source of the materials (BeiGene or Celgene, as the case may be) or its legal counsel.

15.4 Assistance Unrelated to Antitrust Law . Subject to this Article 15, BeiGene and Celgene shall cooperate and use respectively all reasonable efforts to make all other registrations, filings and applications, to give all notices and to obtain as soon as practicable all governmental or other consents, transfers, approvals, orders, qualifications, authorizations, permits and waivers, if any, and to do all other thing necessary or desirable for the consummation of the transactions as contemplated hereby.

15.5 No Further Obligations . If this Agreement is terminated pursuant to this Article 15, then, notwithstanding any provision in this Agreement to the contrary, neither Party shall have any further obligation to the other Party with respect to the subject matter of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, and intending to be legally bound hereby as of the Execution Date in accordance with the terms hereof, the Parties have caused this AMENDED AND RESTATED EXCLUSIVE LICENSE AND COLLABORATION AGREEMENT to be executed by their respective duly authorized officers as of the Amended Execution Date.

Solely with respect to the rights and obligations of Celgene under this Agreement in the United States (subject to Section 14.16)

CELGENE CORPORATION

By: /s/ Mark J. Alles

Name: Mark J. Alles

Title: CEO

BEIGENE, LTD.

By: /s/ Ji Li

Name: Ji Li

Title: EVP, Global Head of BD

Solely with respect to the rights and obligations of Celgene under this Agreement outside of the United States (subject to Section 14.16)

CELGENE SWITZERLAND LLC

By: /s/ Peter Kellogg

Name: Peter Kellogg

Title: CFO

EXHIBIT A

EQUITY AGREEMENT

EXHIBIT B

BASKET PROGRAM HIGH-LEVEL PLAN

[...***...]

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Annex 1 to High-Level Basket Development Plan

[...*...]**

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

[...***... (nine pages omitted)]

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Annex 2 to High-Level Basket Development Plan

[...*...]**

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

[...***... (nine pages omitted)]

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

EXHIBIT C

FORM OF PRESS RELEASE

Celgene Corporation Enters Into Global Strategic Immuno-Oncology Collaboration with BeiGene to Advance PD-1 Inhibitor Program for Solid Tumor Cancers

- Celgene accelerates its immuno-oncology strategy in solid tumors with acquisition of worldwide rights, rest of world outside Asia, to BeiGene's PD-1 inhibitor BGB-A317; Pivotal BGB-A317 solid tumor studies planned for 2018
- Collaboration maximizes potential for best-in-class PD-1-based immuno-oncology combinations in solid tumors by leveraging BGB-A317's differentiated profile and Celgene's novel pipeline assets and global oncology expertise
- BeiGene to acquire Celgene's commercial operations in China and exclusive license to Celgene's China cancer commercial portfolio (ABRAXANE ®, REVLIMID ®, VIDAZA ®)
- BeiGene to receive $263 million in upfront license fees and $150 million equity investment

SUMMIT, N.J. & BEIJING--(BUSINESS WIRE)--Jul. 5, 2017-- **Celgene Corporation (NASDAQ:CELG) and BeiGene, Ltd. (NASDAQ:BGNE)** entered into a strategic collaboration to develop and commercialize BeiGene's investigational anti-programmed cell death protein 1 (PD-1) inhibitor, BGB-A317, for patients with solid tumor cancers in the United States, Europe, Japan and rest of world outside Asia. BeiGene will retain exclusive rights for the development and commercialization of BGB-A317 for hematological malignancies globally and for solid tumors in Asia (with the exception of Japan). BeiGene will acquire Celgene's commercial operations in China and gain an exclusive license to commercialize Celgene's approved therapies in China – ABRAXANE ®, REVLIMID ® and VIDAZA ®.

BGB-A317 is an advanced clinical-stage investigational PD-1 inhibitor, which has been dosed in over 500 patients. Initial clinical data suggest that BGB-A317 is well tolerated and exhibits anti- tumor activity across a range of solid tumor types. BGB-A317 has high affinity and specificity for PD-1 and may be differentiated from the currently approved PD-1 antibodies through an engineered Fc region, potentially minimizing interactions with other immune cells that may exert a negative impact on effector T-cell function. BGB-A317 is being developed as a monotherapy and in combination with other therapies for the treatment of solid tumor cancers. It is currently in two pivotal trials in China, and global pivotal studies of BGB-A317 are planned for initiation in 2018. Celgene and BeiGene will collaborate in the global development of BGB-A317. In addition, BeiGene retains the right to develop BGB-A317 in hematology and in combination with its other portfolio compounds.

"The acquisition of BGB-A317 significantly accelerates and expands our opportunity to develop and deliver novel T-cell checkpoint inhibitor-based therapies in solid tumor cancers to patients worldwide and adds to our ongoing PD-L1 FUSION™ program in hematological malignancies," said Mark J. Alles, Chief Executive Officer of Celgene. "China is an important market for Celgene, and our collaboration with BeiGene positions us exceptionally well to optimize research, manufacturing, and the long-term commercial potential of our portfolio in China."

"This strategic partnership with Celgene is a transformational event for BeiGene, transitioning us into a commercial-stage company and preparing us well for the future potential launch of our internally developed compounds, some of which are already in pivotal trials in China," said John

V. Oyler, Co-founder, CEO, and Chairman of BeiGene. “Aligned in our mission and therapeutic focus, we believe that we have forged a promising alliance with Celgene that will help both companies fulfill their ultimate commitments of bringing new, life-altering treatments to patients in China and worldwide.”

BeiGene will acquire Celgene’s operations in China. BeiGene will also license and assume commercial responsibility for Celgene’s approved therapies in China, consisting of ABRAXANE ® (paclitaxel protein-bound particles for injectable suspension) (albumin-bound), REVLIMID ® (lenalidomide) and VIDAZA ® (azacitidine). In addition, BeiGene is granted licensing rights in China to CC-122, under the same terms and conditions as the approved commercial products. CC-122 is a next generation CelMOD currently in development by Celgene for lymphoma and hepatocellular carcinoma. BeiGene plans to expand manufacturing and commercial operations in China in preparation for the potential approvals of BGB-A317 and future innovative therapies developed by BeiGene in greater China.

Celgene will maintain a strategic and R&D presence in China dedicated to long-term commercial activities, regulatory affairs and clinical development of new therapies in the country. Celgene will also continue supporting BeiGene with management of the REVLIMID ® Risk Minimization Program.

Upon closing, BeiGene will receive upfront licensing fees totaling $263 million, and in addition Celgene will acquire an equity stake in BeiGene by purchasing 32.7 million, or 5.9 percent, of BeiGene’s ordinary shares at $4.58 per share, or $59.55 per BeiGene’s American Depositary Shares (ADS), representing a 35% premium to an 11-day volume-weighted average price of BeiGene’s ADS. BeiGene is eligible to receive up to $980 million in development, regulatory and sales milestone payments and royalties on future sales of BGB-A317.

The transactions have been approved by the boards of directors of Celgene and BeiGene. Both companies expect to complete the transaction during the third quarter of 2017, subject to the expiration or termination of applicable waiting periods under all applicable antitrust laws and satisfaction of other usual and customary closing conditions.

BGB-A317 is not approved in any country for any indication.

About BGB-A317

BGB-A317 is an investigational humanized monoclonal antibody that belongs to a class of immuno-oncology agents known as immune checkpoint inhibitors. It is designed to bind to PD- 1, a cell surface receptor that plays an important role in downregulating the immune system by preventing the activation of T-cells. BGB-A317 has high affinity and specificity for PD-1. It is believed to be differentiated from the currently approved PD-1 antibodies, as the engineering of its Fc region is believed to minimize potentially negative interactions with other immune cells. BGB-A317 is being developed as a monotherapy and in combination with other therapies for the treatment of various cancers.

About Celgene

Celgene Corporation, headquartered in Summit, New Jersey, is an integrated global biopharmaceutical company engaged primarily in the discovery, development and commercialization of innovative therapies for the treatment of cancer and inflammatory diseases through next-generation solutions in protein homeostasis, immuno-oncology, epigenetics, immunology and neuro-inflammation. For more information, please visit www.celgene.com. Follow Celgene on social media: @Celgene, Pinterest, LinkedIn, Facebook and YouTube.

About BeiGene

BeiGene is a global, clinical-stage, research-based biotechnology company focused on molecularly targeted and immuno-oncology cancer therapeutics. With a team of over 400 employees in China, the United States, and Australia, BeiGene is advancing a pipeline consisting of novel oral small molecules and monoclonal antibodies for the treatment of cancer. BeiGene is working to create combination solutions aimed at having both a meaningful and lasting impact on cancer patients.

Forward-Looking Statements

This press release contains forward-looking statements, which are generally statements that are not historical facts. Forward-looking statements can be identified by the words "expects," "anticipates," "believes," "intends," "estimates," "plans," "will," "outlook" and similar expressions. Forward-looking statements are based on management's current plans, estimates, assumptions and projections, and speak only as of the date they are made. Celgene and BeiGene undertake no obligation to update any forward-looking statement in light of new information or future events, except as otherwise required by law. Forward-looking statements involve inherent risks and uncertainties, most of which are difficult to predict and are generally beyond our control. Actual results or outcomes may differ materially from those implied by the forward- looking statements as a result of the impact of a number of factors, many of which are discussed in more detail in Celgene's Annual Report on Form 10-K and other reports filed with the Securities and Exchange Commission, with respect to Celgene's forward-looking statements, and BeiGene's Annual Report on Form 10-K and other reports filed with the Securities and Exchange Commission, with respect to BeiGene's forward-looking statements.

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FOR CELGENE
Investors:
+1-908-673-9628
ir@celgene.com or
Media:
+1-908-673-2275
media@celgene.com or
FOR BEIGENE

Lucy Li, Ph.D., +1 781-801-1800
ir@beigene.com
media@beigene.com

SCHEDULE 1.12

BEIGENE PATENTS

[...***...]

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

SCHEDULE 1.13

BEIGENE TERRITORY

[...*...]**

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

SCHEDULE 1.57(a)

LICENSED COMPOUND – BGB A317

[...*...]**

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Schedule 9.2.1

Celgene Controlled Patents

[...***...]

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

SCHEDULE 11.2.13

EXISTING PRODUCT AGREEMENTS

[...*...]**

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

CERTAIN CONFIDENTIAL PORTIONS OF THIS EXHIBIT WERE OMITTED AND REPLACED WITH "[...*...]." A COMPLETE VERSION OF THIS EXHIBIT HAS BEEN FILED SEPARATELY WITH THE SECRETARY OF THE U.S. SECURITIES AND EXCHANGE COMMISSION PURSUANT TO AN APPLICATION REQUESTING CONFIDENTIAL TREATMENT PURSUANT TO RULE 24b-2 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.**

LICENSE AND SUPPLY AGREEMENT

This Agreement dated as of July 5, 2017 (the " **Execution Date** ") and effective on the Effective Date (as defined below), is entered into between **Celgene Logistics Sàrl** , a corporation incorporated under the laws of Switzerland, with registered offices at Route de Perreux 1, 2017 Boudry Switzerland (" **Celgene** "), and **BeiGene, Ltd.** , a corporation organized under the laws of the Cayman Islands having an address of c/o Mourant Ozannes Corporate Services, (Cayman) Limited 94 Solaris Avenue, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands GB (" **BeiGene** ").

RECITALS:

A. Celgene is wholly-owned directly or indirectly by its ultimate parent corporation, Celgene Corporation, having a principal place of business at 86 Morris Avenue, Summit, NJ 07901, USA (" **Celgene Corp.** ").

B. Celgene and its controlled subsidiaries and affiliates, including Celgene Corp. (collectively referred to as " **Celgene Group** ") are engaged in the research, development and commercialization of biotechnology and pharmaceutical products. Celgene may designate from time to time in its discretion other members of the Celgene Group to perform certain obligations of Celgene in respect of BeiGene pursuant to this Agreement, but Celgene shall remain responsible for the performance of its obligations under this Agreement (as defined below).

C. Celgene Group owns or controls certain technology, intellectual property rights and confidential and/or proprietary information relating to the Product (as defined below).

D. Celgene is interested to supply the Product to BeiGene and to grant to BeiGene certain rights (as described below) relating to development, marketing, promotion, distribution and sale of Product in the Territory (as defined below) for human therapeutic purposes to be commercialized in the Territory under the Trademark (as defined below) and, to the extent permitted under applicable law, the BeiGene Trademark (as defined below), pursuant to the terms and conditions of this Agreement.

E. BeiGene and its subsidiaries and affiliates (the " **BeiGene Group** "), are engaged in the research, development, manufacturing, distribution, marketing, promotion and selling of biotechnology and pharmaceutical products and possess the resources, skills and experience necessary to perform their obligations under this Agreement.

F. BeiGene desires to develop and Sell (as defined below) the Product in the Territory for human therapeutic purposes commencing on the Effective Date (as defined below) and Celgene is willing to grant BeiGene these rights for the development and Selling of the Product in accordance with this Agreement.

In consideration of the above recitals, the parties agree as follows:

1. DEFINITIONS

1.1 " **Agreement** " shall mean this License and Supply Agreement.

1.2 " **BeiGene Indemnitees ”** shall have the meaning set forth in Section 12.2 of the Agreement.

1.3 " **BeiGene Trademark** " shall mean the trademarks registered by BeiGene and used together with the Trademark for the Sale of the Product by BeiGene in the Territory pursuant to this Agreement and the equivalent trademark in Mandarin or any other official languages in the Territory.

1.4 " **BeiGene Bonded Warehouse** " shall have the meaning set forth in Article 5 of the Agreement.

1.5 " **Celgene Promotion Policies** " shall have the meaning set forth in Section 3.2.4 c) of the Agreement.

1.6 **“ Celgene Indemnitees ”** shall have the meaning set forth in Section 12.1 of the Agreement.

1.7 **“ Claims ”** shall have meaning set forth in Section 12.1 of the Agreement.

1.8 " **Clinical Trial Agreement** " shall have the meaning set forth in Section 3.2.9.

1.9 " **Commercially Reasonable Efforts** " means, with respect to either party in relation to this Agreement, such efforts that are consistent with the efforts and resources used by a biopharmaceutical company of similar size and market capitalization as such party in the exercise of its commercially reasonable business practices under this Agreement, including manufacture and commercialization of a pharmaceutical or biologic compound or product, as applicable, at a similar stage in its research, development or commercial life as the relevant Product and that has commercial and market potential similar to the relevant compound or Product, taking into account issues of [...***...].

1.10 " **Competing Product** " shall mean, with respect to a Product, any product that (a) has received a Registration in the Territory permitting it to be sold to prevent or treat the same indication as such Product, (b) is directed to the same biological target(s) as such Product and (c) has substantially the same mechanism of action as such Product.

1.11 " **Confidential Information** " shall mean, collectively, Other Confidential Information, Scientific Information and Know-how.

1.12 " **Control** " or " **Controlled** " shall mean, with respect to any intellectual property (including Patents and Know-How) or Confidential Information (including data), the ability of Celgene (whether through ownership or license (other than a license granted in this Agreement)) to grant to BeiGene the licenses or sublicenses as provided herein, or to otherwise disclose such intellectual property or Confidential Information to the other Party, without violating the terms of any then-existing agreement with any Third Party at the time such Party would be required hereunder to grant the other Party such license or sublicenses as provided herein or to otherwise disclose such intellectual property or Confidential Information to the other Party.

1.13 " **Effective Date** " shall mean the closing date of the Sale and Purchase Agreement by and between Celgene Holdings East Corporation and BeiGene (Hong Kong) Co., Limited dated as of the Execution Date (the " **Share and Purchase Agreement** ").

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* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

1.14 **" Existing Product** " shall mean the products described in Schedule B attached hereto.

1.15 **"Firm Purchase Order** " shall have the meaning set forth in Section 4.1 of the Agreement.

1.16 " **First-Tier Distributor** " shall have the meaning set forth in Section 2.1 of the Agreement.

1.17 " **Foreign Official** " shall mean any employee or officer of a government of a foreign country (i.e., a country other than the United States of America), including any federal, regional or local department, agency, enterprise owned or controlled by the foreign government, any official of a foreign political party, any official or employee of a public international organization, any person acting in an official capacity for, or on behalf of, such entities, and any candidate for foreign political office.

1.18 " **ICC** " shall have the meaning set forth in Section 14.3 of the Agreement.

1.19 " **Know-how** " shall mean relevant information or data on the Product, or commercial information or data relating to the Product, Controlled by any of the Celgene Group and required for the research, development or Selling of the Product within the Territory in accordance with this Agreement.

1.20 " **Labeling Policy** " shall mean Celgene Group's corporate policy entitled "[...***...]" effective as of [...***...], and which may be updated by Celgene Group from time to time, a copy of which is attached under Schedule D of this Agreement.

1.21 **" Losses** " shall have the meaning set forth in Section 12.1 of the Agreement.

1.22 **"Medical - Marketing Plan** " shall have the meaning set forth in Section 3.2.4 of the Agreement.

1.23 **"Minimum Remaining Shelf Life "** shall have the meaning set forth in Section 6.7 of the Agreement.

1.24 " **New Product** " shall mean, other than a Product, any oncology product which is, or is intended to be, Registered in the Territory and that Celgene or any member of Celgene Group has the sole or exclusive right to commercialize in the Territory.

1.25 " **New Product Notice** " shall have the meaning set forth in Section 2.8 of the Agreement.

1.26 " **Other Confidential Information** " shall mean , with respect to a party, all confidential and proprietary information, other than the Scientific Information and Know-how, , including financial statements, costs and expense data, marketing distribution and consumer data, production data, know-how, trade secrets, unpublished trademark applications, unpublished patent applications, and inventions not yet the subject of a patent applications, secret processes and formulae, technical data and reports including gene technology, biochemical, toxicological, pharmacokinetic, manufacturing and formulation data, clinical data, regulatory correspondence or any other information which is not generally ascertainable from public or public domain published information, regardless of whether such information was provided under this Agreement, by request of the other party or in any other manner. The terms and conditions of this Agreement shall also be considered as Other Confidential Information.

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

1.27 " **Patents** " shall mean all patents (including inventor's certificates) and applications therefor that claim the Product in the Territory that are Controlled by any member of the Celgene Group, including without limitation any substitutions, extensions or restorations by existing or future extension or restoration mechanisms, reissues, renewals, divisions, patents-of-addition, continuations or continuations-in-part thereof or therefor.

1.28 " **Product** " shall mean, collectively, (a) the Existing Product and (b) any New Products that are added to this Agreement pursuant to Section 2.8 of the Agreement.

1.29 " **Registration** " shall mean the registration for the authorization of the sale and marketing of the Product in the Territory, as such authorization is granted by the applicable governmental or regulatory authorities, and which may include the RMinP approval if applicable.

1.30 **" Representatives "** shall have the meaning set forth in Section 11.1 of the Agreement.

1.31 " **RMinP** " shall have the meaning set out in Section 3.2.5 of the Agreement.

1.32 " **ROFN** " shall have the meaning set out in Section 2.8 of the Agreement.

1.33 " **Scientific Information** " shall mean all the scientific documentation and data on the Product that is Controlled by any member of the Celgene Group in connection with the Products including any such data related to clinical development activities or results.

1.34 " **Selling** " or " **Sell** " shall mean the distributing, selling, marketing and promoting of the Product in accordance with the Use of the Product after the Effective Date.

1.35 " **SOPs** " shall have the meaning set forth in Section 10.4 of the Agreement.

1.36 " **Specifications** " shall have the meaning set forth in Section 3.1.3 of the Agreement.

1.37 " **Term** " shall have the meaning set forth in Section 13.1 of the Agreement.

1.38 " **Territory** " shall mean, for all Product(s) contained herein, the People's Republic of China, and for the purpose of this Agreement, excluding Hong Kong, Macao and Taiwan.

1.39 " **Trade Control Laws** " shall refer to U.S. laws which prohibit or limit export, distribution or sales of goods from the United States and their re-export from other countries into certain countries, referred to as Sanctioned Countries. More specifically and for purpose of performing the Agreement, Trade Control Laws shall refer to the U.S. Export Administration Regulations and the economic sanctions, rules and regulations implemented under statutory authority and/or President's Executive Orders and administered by the U.S. Treasury Department's OFAC.

1.40 " **Trademarks** " shall mean the trademarks registered by the Celgene Group and used for the Sale of the Product by BeiGene in the Territory and any other trademarks that may be added hereto during the term of this Agreement and the equivalent trademark in Mandarin or any other official languages in the Territory. Trademarks are listed in Schedule C attached hereto.

1.41 " **Use of the Product** " shall mean, the use of the Product to treat the diseases specified in the Registration, (a) in the formulations and presentations existing on the Effec-

tive Date, as well as (b) any new formulations, presentations and improvements agreed in writing by the parties in any subsequent amendment or addition to this Agreement.

2. APPOINTMENT

2.1 During the Term and subject to the terms and conditions contained in the Agreement, Celgene grants to BeiGene, effective as of the Effective Date, the following, which BeiGene accepts:

a) Celgene hereby appoints BeiGene to be the exclusive distributor and promoter for the Selling of the Product in the Territory in accordance with this Agreement. This appointment is based on the practice of the Patents and the use of the Trademark in accordance with this Agreement and the Selling of the Product, as applicable in accordance with all applicable laws and regulations. BeiGene shall have the right to appoint any third party as a sub-distributor or a marketing and promotion service provider of any Product in the Territory solely to the extent that (i) such appointment is permitted by applicable laws in the Territory; (ii) BeiGene reasonably determines that such appointment is reasonably necessary to facilitate the Selling of such Product in the Territory; and (iii) such third party is appointed for the sole purpose of Selling Products, or conducting marketing and promotion services, in the Territory; provided, that, any such appointment of a First-Tier Distributor (being the sub-distributor in the Territory that directly purchases the Product from BeiGene and resells the Product in the Territory in accordance with a distribution agreement with BeiGene) and/or a marketing and promotion service vendor shall be subject to prior written consent of Celgene, which shall not be unreasonably withheld. Each agreement with a sub-distributor shall be consistent with the terms and conditions of this Agreement. BeiGene will (A) notify Celgene of the name and address of the sub-distributor and provide Celgene with a copy of the agreement with the sub-distributor (redacted only with respect to financial terms and sensitive commercial or technical information) within [...***...] after its execution and (B) be responsible for ensuring that the performance by any of its sub-distributors in accordance with the applicable terms of this Agreement. In the case of using any First Tier Distributor or a marketing and promotion service vendor for the Selling of the Product in the Territory, BeiGene shall ensure such sub-distributor, First Tier Distributor and marketing and promotion service vendor will be subject also to the obligation to follow all applicable laws and regulations as well as the obligations set forth in this Agreement for commercialization and the storage and distribution of the Product (including, as the case may be, the distribution in compliance with the RMinP).

Subject to Section 3.1.2, Celgene retains the rights for manufacturing of the Product in the Territory by itself or through any other member of the Celgene Group or through any third party manufacturer; provided, that, Celgene shall organize its manufacturing capacity in a manner that ensures that it shall meet the supply demand of BeiGene for Products in the Territory as agreed by the parties subject to the terms and conditions of this Agreement. In case Celgene elects to manufacture the Products in the Territory, it shall be responsible for obtaining all the Registrations that are necessary for the Products to be manufactured in the Territory, at its own cost, with reasonable assistance to be provided by BeiGene subject to terms and conditions to be agreed upon by the parties.

b) Celgene hereby grants to BeiGene (without prejudice to the right of BeiGene to use or appoint sub-distributors and marketing and promotion service providers pursuant to section 2.1 a) a non-sublicensable, non-transferable and (except in conjunction with an assignment of this Agreement pursuant to Section 17.1) non-assignable (i) exclusive right and license to use in the Territory the Trademark,

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the Patents, the Know-how, the Scientific Information and the Other Confidential Information for the sole and exclusive purpose of Selling the Product in the Territory; (ii) co-exclusive right and license (together with Celgene) to use in the Territory the Patents, the Know-how, the Scientific Information and Other Confidential Information for conducting research and development activities in the Territory as mutually agreed by the parties under Section 3.2.10. The foregoing rights do not under any circumstances include any right for BeiGene or its designees to (i) manufacture the Product in or outside the Territory; or (ii) exercise in any way whatsoever any rights in or with respect to any Celgene tangible or intangible property (including the Patent, the Know-how, Scientific Information and other Celgene Intellectual Property) outside of the Territory or in any way within the Territory except as expressly set forth herein.

No other rights, interests or licenses, express or implied, are granted, have been granted or in the future must be granted by Celgene (or any other Celgene Group member) to BeiGene with respect to the Patents, the Know-how, the Scientific Information, the Other Confidential Information or the Product except as set forth in the Agreement.

Celgene shall retain sole and exclusive ownership rights, interests and title to the Patents, Know-how, Scientific Information, Other Confidential Information and the Product.

2.2 During the term of the Agreement, Celgene shall supply exclusively to BeiGene, and BeiGene shall purchase exclusively from Celgene, the Product for use or sale in the Territory in accordance with the terms and conditions contained herein, including the product purchase pricing and payment terms described in Schedule A attached hereto and incorporated herein.

2.3 Nothing herein contained shall be deemed in any way to limit the right of BeiGene to determine the prices or terms at which Product purchased by BeiGene may be resold by BeiGene. Without limiting the foregoing, BeiGene may resell any such Product at any prices determined by BeiGene within the Territory, whether greater or lesser than any prices listed, suggested or charged by Celgene, subject only to the applicable provisions of this Agreement and applicable laws and regulations. Suggested contractual terms and conditions of sale to BeiGene's customers may be provided to BeiGene by Celgene from time to time but BeiGene is not obligated to follow such suggested contractual terms and conditions and shall remain free to establish its own contractual terms and conditions.

2.4 During the Term of the Agreement, BeiGene (including any member of the BeiGene Group) [...***...], unless otherwise mutually agreed by the Parties, which acceptance should not be unreasonably withheld.

2.5 BeiGene (including any member of the BeiGene Group) shall refrain, outside the Territory, from Selling the Product, from seeking or accepting any actual or potential orders of customers, and from maintaining any distribution depot for the Product. BeiGene shall use Commercially Reasonable Efforts to ensure that its customers do not resell the Product on the Internet or outside of the Territory. BeiGene shall refer to Celgene all inquiries that BeiGene receives for the Product for sale or ultimate delivery outside the Territory.

2.6 If at any time during the Term, Celgene is unable for any reason to manufacture any Product on a global basis, Celgene shall have the right in its sole discretion to cease to manufacture the Product or remove the Product from its range of products for sale or distribution in the Territory, in which case Celgene shall provide BeiGene with at least [...***...] prior written notice, unless a shorter notice period is required by the

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applicable governmental or regulatory authority. The Agreement shall terminate solely with respect to that Product on the date provided in such written notice by Celgene and shall continue in full force and effect in all other respects for all other Products. During the period following the receipt by BeiGene of the written notice provided in this Section 2.6, BeiGene shall have the right, in its sole discretion, to Sell its remaining inventory of the withdrawn Product. To the extent that BeiGene does not elect to Sell its remaining inventory of the withdrawn Product or if BeiGene so elects but is unable to Sell its entire inventory of the withdrawn Product, Celgene will have the obligation to either (i) direct BeiGene to destroy its inventory of such withdrawn Product (in which case Celgene shall make a one-time payment to BeiGene equal to the aggregate original Product Purchase Price paid by BeiGene for such inventory of Product) or (ii) repurchase from BeiGene its inventory of such withdrawn Product for a repurchase price equal to the aggregate original Product Purchase Price paid by BeiGene. In addition to the foregoing, Celgene will compensate BeiGene for any costs and penalties BeiGene may have to incur as a result of its inability to fulfill any ongoing tender obligations; provided, such obligations could not have been reasonably avoided and/or anticipated by BeiGene. The parties will reasonably cooperate with each other in connection with any such withdrawal by taking such steps as may be reasonably necessary in ensure a smooth withdrawal of such Product from the Territory. Celgene shall not reintroduce any Product into the Territory that is withdrawn pursuant to this Section 2.6 without the prior written consent of BeiGene.

2.7 At the Effective Date, each party will appoint an individual as Agreement Manager. Each Party may update the identity of its Agreement Manager during the term of the Agreement by notice in writing to the other party.

a) The Agreement Managers of each party will meet in person or discuss via teleconference performance of each Party's obligations under this Agreement and any other matters as notified by either party in advance of such meeting. Meeting frequencies are set out in Schedule E attached hereto.

b) The Agreement Managers will keep accurate and complete minutes of their meetings to record all actions taken and items discussed. All such minutes and other records of the Agreement Managers will be available to each Party.

c) The Agreement Managers shall also use Commercially Reasonable Efforts to ensure that the Contact Matrix and Key Operations Tracker referred to in Schedule E attached hereto, are implemented in due time.

d) The Agreement Managers initially appointed by the Parties at the Effective Date of the Agreement are referred to in Schedule E attached hereto.

2.8 In the event that, during the first five (5) years of the Term, Celgene decides to commercialize through a third party in the Territory a New Product, BeiGene will have the right of first negotiation (" **ROFN** ") with respect to obtaining rights to develop with Celgene and Sell the New Product in the Territory, subject to the following conditions:

a) In the event that Celgene decides to commercialize a New Product in the Territory through a third party, Celgene will provide a written notice to BeiGene (" **New Product Notice** "), provide a summary of the New Product, including material scientific data Controlled by Celgene (as well as such other information in Celgene's Control that BeiGene may reasonably request).

b) BeiGene may exercise its ROFN at its discretion by providing written notice thereof to Celgene within [...***...] after the date of such New Product Notice, during which period Celgene will not enter into any term sheet (or equivalent) negotiations or agreement with any third party in relation to the New Product for

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the Territory. During this [...***...] period, Celgene will provide BeiGene with any information and data Controlled by Celgene and reasonably requested by BeiGene, and use reasonable efforts to make the appropriate employees available for diligence phone calls, in order to assist BeiGene in completing its diligence review of the New Product.

c) If BeiGene exercises its ROFN, then the Parties agree to negotiate in good faith terms of an arrangement between them regarding such New Product in the Territory, as applicable, for a period of [...***...] following BeiGene's exercise notice (unless the Parties mutually agree to extend the period), during which period Celgene will not enter into any term sheet (or equivalent) negotiations or agreement with any third party in relation to the New Product for the Territory.

d) Any grant to BeiGene of the rights to develop with Celgene and/or Sell the New Products in the Territory shall be subject to agreement between BeiGene and Celgene of mutually satisfactory reasonable terms and conditions. Any terms and conditions to be agreed upon by the Parties in connection with the New Product will be set forth in a separate agreement. The parties hereby acknowledge that such terms may include the conduct by BeiGene of clinical development activities with respect to the New Product in the Territory, subject to the Parties reaching agreement on a mutually-acceptable development plan with respect thereto.

e) In the event BeiGene fails to exercise its ROFN or after BeiGene exercises its ROFN, the Parties fail to agree to terms for the New Product within the aforementioned time period, then Celgene will have no further obligation to BeiGene for the New Product.

Unless otherwise agreed by the Parties, Celgene shall reserve the right to manufacture any New Product for Selling in the Territory, and shall own and control the regulatory responsibilities for and own and control the Registration of any New Product.

For the avoidance of doubt, if Celgene decides, in its sole discretion, to commercialize a New Product by itself, instead of through any third party in the Territory, BeiGene will have no ROFN as specified in this Section 2.8.

3. OBLIGATIONS

3.1 OBLIGATIONS OF CELGENE

Celgene shall have the following obligations during the Term of the Agreement:

3.1.1 Celgene shall provide BeiGene with the Patents, Know-how, Scientific Information, and Product information needed for compliance with the Registration and/or for the Selling, as applicable, of the Product in the Territory, and all needed samples of the Product (free of charge) required by governmental authorities of the Territory for the importation of the Product. Provided however, [...***...].

3.1.2 Celgene shall be responsible for maintaining the current Registration of the Product including without limitation the Imported Drug License, and, except as otherwise provided in this Agreement or as may be agreed by the parties, for obtaining any subsequent Registration (e.g. new indications or agreed future formulations, minor and major variations) of the Product in the Territory. In case of any changes in the current Registration of the Product, Celgene shall (a) be responsible for, with assistance of BeiGene, updating the Registration with the competent regulatory authorities and (b) serve an advanced notice to BeiGene at least [...***...] before the submission of such changes, and have a good faith discussion with BeiGene for such actions as necessary to maintain a continuous supply of the Product to BeiGene before such changes of the

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Registration are duly approved, including but not limited to building up additional inventory of the Product.

3.1.3 Celgene shall manufacture the Product either directly or via a member of the Celgene Group or a designee thereof (" **Supplier** ") according to the requirements of Good Manufacturing Practices (GMP) (as defined in the U.S. Code of Federal Regulations and if applicable, the European Union GMP) and in conformity to the lot release specifications for the Product accepted by the regulatory authorities in the Territory and, as applicable, as contained in the Registration (the " **Specifications** ").

3.1.4 Celgene shall supply the Product to BeiGene, either directly or via a third party supplier in finished form, packaged and labeled in accordance with the pre-registration requirements of the Territory, the Labeling Policy and, if applicable, the Registration, together with a certificate of conformity, certificate of analysis complying with the approved Registration in the Territory and the marketing authorization of the Product. For the avoidance of doubt, Celgene shall remain responsible for the performance of any designated third party Supplier in accordance with this Agreement.

3.1.5 To the extent requested by BeiGene, Celgene shall participate with and provide assistance to BeiGene in obtaining pricing approval and government reimbursement of the Product for each province within the Territory (including, if applicable, inclusion in the national reimbursement list) following discussions by the Parties concerning such matters.

3.1.6 To the extent determined reasonably necessary by Celgene in its sole discretion, provide to BeiGene (at an agreed charge, if any), in the English or Mandarin language: (i) Product training sessions, (ii) reasonable quantities of brochures and other promotional materials available for the Product in the English language, (iii) published articles or studies in the English language relating to the Product and (iv) training on the Labeling Policy, and upon receipt of the training, BeiGene shall take reasonable steps to ensure that its personnel are suitably trained on the Labeling Policy.

3.1.7 For the avoidance of doubt, all costs of Selling in the Territory shall be borne by BeiGene, unless otherwise specified in the Agreement.

3.1.8 Celgene shall maintain at all times a sufficient quantity of Product in inventory to meet BeiGene's reasonably anticipated demand of Product as provided in BeiGene's forecast. If for any reason Celgene is in good faith unable to supply any or all of the quantities of the Product required to be supplied hereunder, it shall provide BeiGene with reasonable prior written notice thereof, which shall include a reasonable explanation for such failure and, as soon as practicable, appoint a third party designee for the supply of the Product to BeiGene within the same terms and conditions hereof. In the event of a shortfall in Celgene's ability to supply the Product, it shall use its good faith efforts to provide BeiGene with as much quantity of the Product as possible, considering Celgene's (and the other Celgene Group members') other requirements for the Product outside of the Territory. In no event shall Celgene single BeiGene out as the only party to whom a shortfall is applicable. Reduction in BeiGene's sales of the Product due to Celgene's inability to supply in good faith any or all of the quantities of the Product required shall be taken into consideration when assessing BeiGene's obligations relating to Medical-Marketing Plan. Moreover, in case Celgene's inability to supply the Product results in BeiGene having to pay penalties for its own inability to fulfill any ongoing obligations to third parties through no fault of its own, Celgene will compensate BeiGene for such penalties in accordance with this Agreement.

3.2 OBLIGATIONS OF BEIGENE

In addition to the other obligations of BeiGene otherwise specified in the Agreement, BeiGene shall, at its sole expense, have the following obligations during the Term of the Agreement :

3.2.1 Obtain the Product in finished form for Selling from Celgene, or from suppliers designated by Celgene for the Territory.

3.2.2 Provide information Controlled by BeiGene to the extent necessary to maintain or update the Registration by submitting to Celgene (or its designated Celgene Group member) all documents and/or communications to be filed by Celgene with governmental authorities in the Territory which relate to the Product, and assist Celgene in making any necessary modifications or amendments to the Registration to enable BeiGene to perform its obligations under the Agreement in accordance with the rules, regulations or requirements of any applicable governmental entity. For clarity any proposed documents and/or communications, modifications or amendments to the Registration shall be dealt with exclusively by Celgene (or its designated Celgene Group member) and shall require Celgene's prior written approval.

3.2.3 Use Know-how, the Labeling Policy and the Scientific Information supplied to it solely and exclusively for complying with the Registration and for Selling the Product in the Territory, as applicable.

3.2.4 Assume responsibility for the Selling of the Product in the Territory and otherwise use Commercially Reasonable Efforts to promote the use and sale of the Product in the Territory. In particular, BeiGene undertakes to prepare in the English language a medical marketing plan (" **Medical - Marketing Plan** ") for each calendar year , which shall include those items listed in Schedule E. 7 of the Agreement to the extent consistent with the scope and content of the information provided to Celgene in the Territory with respect to the Product prior to the closing of the Share and Purchase Agreement and consistent with the global medical and/or marketing strategy defined and communicated by Celgene to BeiGene.

a) The Medical-Marketing Plan shall be submitted to Celgene for its review no later than by [...***...] of each calendar year. Celgene shall complete its review of the Medical-Marketing Plan within [...***...] upon receipt thereof. BeiGene shall consider in good faith any comments and recommendations to the Medical-Marketing Plan provided by Celgene as part of its review. Following Celgene's review of the Medical-Marketing Plan, it shall be implemented by BeiGene and any material modification shall be submitted to Celgene for its review under this Section 3.2.4(a). Additionally, should BeiGene fail to achieve satisfactory results in the execution of the Medical-Marketing Plan in any given year in the Territory, the Parties shall discuss and agree in good faith (with Celgene taking into consideration the market environment, pricing and reimbursement considerations, the market share of the Product) on a plan to remedy the situation.

b) The provisions of the Medical-Marketing Plan shall form part of the terms and conditions of this Agreement. If there is any conflict between the provisions of the Agreement and the Medical-Marketing Plan, the provisions of the Agreement shall prevail. For the avoidance of doubt, BeiGene shall assume all responsibility for the activities of its own sales force and shall maintain sufficient resources during the term of the Agreement to comply with its obligations under the Agreement.

c) BeiGene shall develop promotional materials for Selling the Product in the Territory which shall not include claims and statements that are misleading or that are not supported by available clinical evidence and as indicated in the Registration. Furthermore, such promotional materials shall be in compliance with policies established by Celgene and provided in writing to BeiGene from time to time relating to the promotional positioning of the Product, including educational, technical, scientific, commercial and marketing instructions (the " **Celgene Promotion Policies** "). During the Term, Celgene may request to review such promotional materials as developed by

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BeiGene to confirm their compliance with such policies. To the extent permitted by applicable laws and regulations, BeiGene shall indicate on its own promotional materials (including any Celgene pre-approved Internet website), that the Product is promoted and distributed by BeiGene (or the Celgene authorized BeiGene Group member) in the Territory under authorization by Celgene, and BeiGene may use its own name and logo on such promotional materials.

d) BeiGene shall use Commercially Reasonable Efforts to actively promote the Selling of the Product in the Territory, by means of visits to doctors, pharmacists and other persons with a professional interest in the study and prescription of the Product, through the distribution of literature, through relevant publications and other media (including the Internet); such activities shall be carried out in conformity with all applicable rules, regulations and guidance of any governmental authority governing the use, storage, transport, export, import and/or promotion of pharmaceutical and biological products, as well as be undertaken in accordance with the Registrations, the RMinP and Celgene's written instructions concerning indications, dosage, warnings, contraindications, precautions and administration; BeiGene shall submit each Internet website directed toward the Product for Celgene's prior written approval, which shall not be unreasonably withheld, and BeiGene shall abstain from promoting the Product for uses other than those defined in the Registration and this Agreement. BeiGene shall maintain a [...***...] for Selling of the Product and cause its Representatives (as defined below) to comply with the Celgene Promotional Policies.

e) BeiGene shall regularly inform Celgene about the medical and promotional activities carried out in the Territory, in particular activities resulting from the implementation of the Medical-Marketing Plan. For this purpose, the Agreement Managers (as defined in Section 2.8 above) of the respective parties will schedules meetings between the Parties at regular intervals, as further detailed in Schedule E . BeiGene shall furnish Celgene with updates regarding the implementation of the Medical-Marketing Plan by providing the reports pursuant to the content and timelines defined in Schedule E .

f) In addition to its reporting obligations connected with the implementation of the Medical-Marketing Plan as referred to in Section 3.2.4e) above, BeiGene shall furnish Celgene, within [...***...] monthly Sales Reports, Quarterly Finance Forecast Reports (including Inventory) and any other information, reports and forecasts per province in the Territory in BeiGene's possession and control as Celgene may reasonably request from time to time, it being understood that in case of use of sub-distributors by BeiGene for the distribution of the Product hereunder, Celgene may also request certain reports to also include relevant information for each sub-distributor, as further detailed in Schedule E attached hereto. The list of the reports required to be provided to Celgene by BeiGene is set out in Schedule E attached hereto . Moreover, the format to be used for the reports shall be agreed between the Parties within [...***...] from the Effective Date.

g) BeiGene shall maintain an inventory of the Product in the Territory adequate to ensure prompt delivery to patients and customers, and supply and sell the Product in the same condition as it is received by BeiGene. BeiGene shall not tamper with or make any alteration to such Product without the prior written consent of Celgene.

h) BeiGene shall adhere to the provisions of the Labeling Policy, and shall not, without the prior written consent of Celgene, remove, change, alter, conceal or obscure any of the labels, inscriptions, instructions, legends, trade names, warnings or markings on the Product or the packages or boxes used for the

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Product, and if required, BeiGene shall identify and communicate in writing to Celgene any additions or alterations required by the applicable laws and regulations in the Territory, with the parties agreeing in writing on their implementation.

i) BeiGene shall not, without the prior written consent of Celgene, conduct, or have conducted, any testing on the Product supplied hereunder, such as but not limited to import lab-testing;

j) BeiGene shall maintain insurance in respect of BeiGene's inventory of the Product against loss or damage by theft, fire, storm, tempest, riot, adequate to cover its obligations hereunder and which are consistent with best business practices of prudent companies similarly situated.

k) BeiGene shall store and distribute the Product in accordance with applicable GMP (Good Manufacturing Practice) and GDP (Good Distribution Practice) principles and guidelines in compliance with all applicable laws and regulations of the Territory.

l) BeiGene shall provide to Celgene in the English language (with a copy in the language of the Territory if requested) any information, notices, reports or materials from any government authorities concerning the Product or relating to the performance of this Agreement received by BeiGene.

m) BeiGene shall coordinate and manage tender procedures in the Territory, which activities will include (but not be limited to): (i) taking all reasonably necessary measures in order to both identify and promptly communicate to Celgene the existence of any public tenders in the Territory relating to any of the Product; (ii) collecting all documents and information reasonably needed to apply for such tenders; (iii) taking all reasonably necessary steps to bid for tenders in due time, such as but not limited to, by filling all documents, providing all relevant data and, as the case may be, providing any financial guarantee, which may be required; and (iv) putting in place all legal instruments which may be required in case a tender is awarded.

3.2.5 If any Product is required by local law or by Celgene to be Sold in the Territory under a risk minimization program (" **RMinP** "), then BeiGene will distribute the said Product(s) in the Territory in full compliance with such RMinP. The RMinP will include education, training and registration of prescribing physicians and patients. Given the regulatory framework that applies to such RMinP, BeiGene shall follow all reasonable instructions given by Celgene to BeiGene when providing the distribution services for the Products.

[...***...]. BeiGene will work closely with Celgene to adapt the global RMinP to local requirements and health care system, and BeiGene will propose the RMinP to local authorities and handle all communications regarding RMinP with the local authorities after having received agreement from Celgene on the content of such communications.

3.2.6 BeiGene (including BeiGene Group members) shall comply with all laws and regulations applicable in the Territory dealing with Selling of the Product purchased under this Agreement, the RMinP agreed upon with the local authorities, laws relating to data protection and safety in the workplace, laws relating to the promotion of pharmaceuticals over the Internet as well as those laws and regulations prohibiting the giving of anything of value, directly or indirectly, to influence improperly the supply or sale of the Product in the Territory. Without limiting the generality of the foregoing, BeiGene shall, at its sole expense, obtain and maintain all licenses and governmental approvals that may be reasonably necessary to permit the importation of the Product and the Selling of the Product by BeiGene. BeiGene shall in all cases, refrain from engaging in any activities or conduct which would cause Celgene or any member of

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the Celgene Group to be in violation of the US Foreign Corrupt Practices Act and any applicable anti-bribery laws. If BeiGene or any BeiGene Group member proposes to provide any information, data or documentation to any governmental or regulatory authority in respect of the Product, it shall first obtain the prior written approval of Celgene, which will not be unreasonably withheld, or shall provide such information, data or documentation in accordance with Celgene's written instructions, any other member of the Celgene Group, unless otherwise required by law.

3.2.7 At the written request of Celgene, BeiGene shall complete all formalities relating to the government reimbursement issues, including pricing approval as well as the procedure for inclusion (if appropriate) in the provincial or national reimbursement list, of any current and future presentations, formulations and/or indications of the Product, subject always to the provisions of the Agreement and the pricing principles agreed in the applicable Medical-Marketing Plan.

3.2.8 BeiGene shall keep normal business accounts with respect to sales of the Product which must be complete, accurate and in conformity with US Generally Accepted Accounting Principles and which shall include a record of the sales or other disposition of the Product and any amounts paid to Celgene. Such records shall be retained for no less than a [...***...] period following the year in which any such sale, distribution or payment occurred and may be inspected by Celgene pursuant to this Section 3.2.8. Celgene shall have the option to engage at its own expense an independent certified public accountant to examine, in confidence, such records of BeiGene by providing a written request to BeiGene , which will not be made more frequently than [...***...] per calendar year, upon at least [...***...] prior written to BeiGene; provided that such audit right will not apply to records beyond [...***...] from the end of the calendar year to which they pertain . Such review shall be limited in scope to the [...***...]. In every case the independent certified public accountant must have previously entered into a confidentiality agreement with both parties having confidentiality obligations and non-use obligations no less restrictive than those set forth in the Agreement and limiting the disclosure and use of such information by such accountant to authorized representatives of the Parties and the purposes germane to this provision. Results of any such review will be binding on both Parties absent [...***...]. All records and information so reviewed by the independent auditor shall be treated as information confidential to BeiGene. If any such audit shall indicate that any such sales, distributions or payments were in error, if such error results in a deficiency in payment by BeiGene to Celgene under the Agreement then BeiGene shall pay the amounts in error to Celgene and if such error is an overpayment by BeiGene to Celgene under the Agreement, then Celgene shall promptly refund the excess payment. Costs of the audit shall be paid by Celgene. This Section 3.2.8 shall survive the expiration or any termination of this Agreement for a period of [...***...]. For the avoidance of doubt, the above provisions shall also apply in respect of members of BeiGene Group if involved in the Selling of the Product in the Territory.

3.2.9 Except as set forth in Section 3.2.10 or with respect to clinical trials or studies undertaken under a separate written agreement with and under the direction of Celgene (or any other designated Celgene Group member) (" **Clinical Trial Agreement** "), BeiGene shall have no rights or responsibilities for conducting clinical trials or studies relating to the Product, and Celgene may organize at its sole discretion the supply of clinical trial material (including the Product) by itself or through a third party in the Territory where any clinical trial will be conducted by Celgene. Celgene will inform BeiGene of its decision to undertake such clinical trials in advance. In addition to the rights and obligations of BeiGene or any BeiGene Group member under any such Clinical Trial Agreement or under any other agreement related to the performance of clinical trials or studies, BeiGene (including any BeiGene Group member) shall continue to be subject to the same terms and conditions of this Agreement in respect of any of its breaches or obligations under a Clinical Trial Agreement or any other agreement related to the performance of clinical trials or studies.

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3.2.10 BeiGene shall be entitled to propose and conduct certain research and development activities (including but not limited to clinical programs) with regard to new indications of the Products in the Territory and with regard to New Products that become Products at its own cost, subject to review and approval by Celgene, which will not be unreasonably withheld and to the preparation and finalization of a development plan mutually acceptable to the parties that shall describe such activities and allocate responsibilities for such parties between the parties. Such proposals shall be discussed by the Agreement Managers who shall include relevant stakeholders within their respective organizations in order to fully evaluate and consider such clinical programs. BeiGene shall not carry out any research and development activities for any indications of the Product or for any New Products that become Products without prior written approval by Celgene. The Parties agree that, subject to the terms and conditions hereof, any right or interest related to the new indications solely developed by BeiGene will be owned by BeiGene, provided that BeiGene shall grant Celgene free-of-charge access and the right to use any data related to research and development activities of the Product for seeking the Registration to be owned by Celgene or any other purpose; and any right or interest related to the new indications solely developed by Celgene shall remain as proprietary property of Celgene.

3.2.11 BeiGene shall verify and represent to Celgene that any sub-distributor to be involved in the distribution or promotion of the Product is not included on any of the restricted party lists maintained by the U.S. Government, including, but not limited to, the Specially Designated Nationals List administered by the U.S. Treasury Department's OFAC, the Denied Persons List, Unverified List or Entity List maintained by the U.S. Commerce Department's Bureau of Industry and Security or the List of Statutorily Debarred Parties maintained by the U.S. State Department's Directorate of Defense Trade Controls. BeiGene commits to refrain from Selling the Product to unauthorized third parties or end users under Trade Control Laws such as any military and law enforcement parties of Sanctioned Countries, including but not limited to military hospitals. BeiGene shall perform the Agreement in the Territory in compliance with Trade Control Laws as defined herein and within the limits set forth by any applicable OFAC Authorization. BeiGene acknowledges and will ensure that any sub-distributor shall comply with Trade Control Laws and the scope of any applicable OFAC Authorization. BeiGene shall ensure that this duty to comply with such Trade Control Laws and the prohibitions or restrictions it involves will be reflected in the agreement to be entered into by BeiGene and the sub-distributor.

3.2.12 BeiGene commits to perform its contractual obligations in conformity with any restrictions which may be set forth by the OFAC Authorization and Trade Control Laws. Such OFAC Authorization and/or Trade Control Laws may restrict the Selling of the Product to specific third parties as mentioned herein. BeiGene shall comply with such restrictions imposed by the OFAC Authorization to the extent they apply to third parties to which it sells Products pursuant to the Agreement. OFAC Authorization may require reporting Selling activities to the U.S. Government indirectly through Celgene which BeiGene undertakes to facilitate. BeiGene shall notify Celgene promptly of any Selling activities which are not in compliance with Trade Control Laws and with the OFAC Authorization. Celgene may inspect the records of sales and accounting records of BeiGene to confirm compliance with Trade Control Laws and the content of the OFAC Authorization by providing a written request to BeiGene , which will not be made more frequently than one (1) time per calendar year unless additional inspections are required as a result of a change in the Trade Control Laws and/or the content of the OFAC Authorization , and in any event, upon at least [...***...] prior written to BeiGene . Such review shall be limited in scope to confirm BeiGene's compliance with Trade Control Laws and the content of the OFAC Authorization. BeiGene undertakes not to object to such inspections provided Celgene may give reasonable prior notice to BeiGene as provided above. BeiGene shall ensure that any sub-distributor it retains to perform Selling activities in Sanctioned Countries

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grants such inspection rights to BeiGene and indirectly, to Celgene by means of adequate contractual terms and conditions .

3.2.13 While storing, handling and/or distributing the Product, BeiGene shall make all reasonable efforts to comply with Celgene supply chain security requirements set forth in Schedule G attached hereto, which requirements derive from the World Customs Organization (WCO) Framework of Standards to Secure and Facilitate Global Trade (SAFE) standards, in order in particular to verify the security and integrity of the Products through all points of the supply chain. BeiGene shall also ensure that any subcontractors used by BeiGene in the distribution of the Products are duly informed of such requirements and make reasonable efforts to comply with these requirements.

4. FORECASTS AND ORDERING

4.1 In order to facilitate Celgene's supply planning of the Product, BeiGene shall provide Celgene not later than [...***...] prior to the beginning of each calendar year, a [...***...] non-binding estimate of BeiGene's requirement of the Product by strength for each province within the Territory. Furthermore, BeiGene shall provide Celgene [...***...] the non-binding estimate of BeiGene's future orders of the Product by strength for the next [...***...]. Such forecast shall be non-binding with the exception of the forecast for [...***...], reflected therein for which quantities are considered firm. BeiGene shall place a firm purchase order accordingly (hereinafter a " **Firm Purchase Order** "), requesting a shipping date from Celgene's warehouses that is at least [...***...] after the date of ordering. [...***...].

4.2 Celgene shall confirm its acceptance of each Firm Purchase Order placed in accordance with Section 4.1 within [...***...] from the date of receipt of such order. Once accepted, such Firm Purchase Order, to the extent that it has been accepted, will become binding on both Parties and the relevant delivery date shall be defined between the Parties pursuant to the requirement set out in Section 4.1. Notwithstanding the above, BeiGene may request to reasonably modify or reschedule an order, prior to the relevant delivery date. Celgene's consent to such modifications or rescheduling shall not be unreasonably withheld. Celgene shall deliver Product to BeiGene a maximum of [...***...] times per year unless otherwise mutually agreed in writing. BeiGene shall also indicate to Celgene in due time in case any specific printing and labeling requirements apply to the packaging of the Product.

4.3 Tenders shall be included in BeiGene's forecast, and the same lead times as referred in Section 4.1 above shall apply to them. In case of unforeseen tenders that could not have been forecasted by BeiGene, Celgene shall be informed by BeiGene as promptly as possible and the Parties will use Commercially Reasonable Efforts to try to deliver the order in a shorter time frame as normally required under Section 4.1, it being understood however that Celgene shall not be held liable whatsoever in case it fails to do so. Large tenders shall not be subject to the maximum annual delivery limitations referred to in Section 4.2, and may therefore be placed in addition to orders made pursuant to the terms and conditions set out in Sections 4.1 and 4.2 above. Furthermore, BeiGene shall provide Celgene with, and thereafter update as the case may be, a tender calendar, showing all tenders BeiGene is participating in and reasonably expects to participate in within the Territory.

5. DELIVERY TERMS

The Product shall be delivered by Celgene to [...***...] (" **BeiGene Bonded Warehouse** "). Celgene will not unreasonably refuse any written request of BeiGene to change the location of its bonded warehouse.

6. CONDITIONS OF SUPPLY

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6.1 All sales made by Celgene shall, except where otherwise agreed in writing, be subject to the terms herein and a separate Technical and Quality Agreement which shall be negotiated and executed as soon as practicable and no later than [...***...] from the Effective Date. Any inconsistency between the terms of the Agreement and any applicable conditions of sale shall be governed by the terms of the Agreement. For the avoidance of doubt, Celgene's obligation to Supply the Products to BeiGene under this Agreement shall not commence until (i) the Technical and Quality Agreement and (ii) the Safety Data Exchange Agreement as provided in Section 10.2 are duly executed and become effective.

6.2 Without prejudice to any other right or remedy of Celgene, if BeiGene is in arrears with any payment due to Celgene under this Agreement, then Celgene may elect not to deliver the Product (except against payment in full in cash of all the amounts owing to Celgene by BeiGene) and/or Celgene may suspend further deliveries under any unfilled purchase orders (until payment in full of the amounts owing by BeiGene is received). All monies owing to Celgene from BeiGene under this Agreement shall become immediately due and payable, and Celgene shall be entitled to recover possession of any Product supplied to BeiGene to the extent permitted by law for which payment has not been made in full.

6.3 All sales to BeiGene shall be final, and no Product shall be returned without the prior written authorization of Celgene, except as otherwise specifically provided herein.

6.4 Each shipment of Product shall contain such quality control certificates and other documentation as are necessary to show that Product conforms with the Specifications at the time of delivery by Celgene. In the event that BeiGene determines that any Product did not conform with the Specifications at the time of delivery by Celgene, BeiGene shall provide a statement of the non-conformity by means of registered mail within [...***...] of receipt of the Product, providing details of the problem and any available documentation; provided, that, if such non-conformity was latent at the time of delivery by Celgene, then BeiGene shall so notify Celgene within [...***...] of its discovery of such non-conformity . The sole obligation that this shall entail for Celgene is the immediate replacement as soon as commercially practical of the Product not conforming to the Specifications, at Celgene's expense, with due observation of customs and foreign exchange regulation. All quantities of the Product not conforming to the Specifications shall, at Celgene's direction and expense, either be destroyed or returned to Celgene. In no event shall any such non-conforming quantities be used or sold by BeiGene. If BeiGene does not notify in writing Celgene within the time limits foreseen hereinabove of any quality impairment of the Product supplied by Celgene, then the Product shall be deemed to have been approved and accepted by BeiGene.

BeiGene shall adhere to Celgene's instructions regarding storage and transport conditions for the Product (temperature, humidity, etc.).

6.5 The Product supplied by Celgene under this Agreement shall be available for Selling, as applicable, by BeiGene in the indications, formulations and presentations described in Schedule B attached hereto.

6.6 Subject always to the provisions set out in Section 3.2.4 c) of the Agreement, in the event that a Product batch fails required import testing in the Territory, then BeiGene shall notify Celgene in writing promptly upon becoming aware of such failure and the Parties shall mutually agree on subsequent actions.

6.7 Celgene will use Commercially Reasonable Efforts to supply Product to BeiGene with the minimum remaining shelf life as indicated in Schedule B attached hereto

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(hereinafter referred as the " **Minimum Remaining Shelf Life** "). In the event that Celgene is only able to propose Product with less than the Minimum Remaining Shelf Life to BeiGene, BeiGene has the right to refuse shipment. Also, if any Product is supplied hereunder by Celgene with remaining shelf life below the said Minimum Remaining Shelf Life, and thereafter such Product remains unsold with less than [...***...] remaining shelf life, Celgene shall replace all such expired Product with fresh Product, at Celgene's cost, or refund BeiGene for such Product at their relevant Product Purchase Price at the time of supply by Celgene, in which case BeiGene shall either return to Celgene or destroy the said Product, as indicated in writing by Celgene, and in case of a destruction, BeiGene shall give Celgene all reasonable documented proof of such destruction and allow Celgene to carry out any inspection it may deem necessary in relation thereto. Furthermore, it is understood and agreed by both Parties that Celgene will in no event replace at its own costs or refund BeiGene for any stocks of the Product which has expired as a result of BeiGene's failure to adhere to the FEFO rule, the replacement being in such case at BeiGene's own cost.

6.8 In the event that a tender obtained by BeiGene within the Territory requires that Celgene directly distribute the Products to an end user in the Territory, then the parties will mutually agree on a reasonable estimate of all such costs directly related to the distribution of such Products and, subject to the foregoing, all such costs that are within the estimate shall be borne by BeiGene.

7. DELIVERY

All deliveries of the Product shall be on the credit of BeiGene and shall constitute sales made directly to BeiGene. Risk on the Product shall pass to BeiGene upon delivery. BeiGene shall be responsible for obtaining payment from its customers.

8. INSPECTION

8.1 Provided reasonable (not less than [...***...]) prior written notice has been given to BeiGene, Celgene may not more than [...***...] per calendar year inspect, or appoint qualified delegates to inspect, during normal working hours, the facilities where BeiGene (or its authorized representatives) stores or has stored the Product and BeiGene's (or its authorized representative's) stock rotation, inventory and storage systems. BeiGene shall consider in good faith any reasonable recommendations made by the said delegates either in writing or verbally.

8.2 Any inspection by Celgene does not release BeiGene from its obligation to observe all of its duties stipulated in the Agreement, and to exercise all due care with regard to the risks associated with the use of the Product.

8.3 To the extent BeiGene uses a third party (including BeiGene Group members) to perform certain obligations of BeiGene under the Agreement, BeiGene shall use Commercially Reasonable Efforts to include in its agreement with such third party an obligation for each such authorized third party to grant Celgene the same rights of inspection as described under Section 8.1 above, as well as the audit rights referred to in Section 8.4 below. In particular, BeiGene shall ensure that it obtains such rights from each sub-distributor(s).

8.4 Notwithstanding the above, BeiGene shall include in the agreements with each of its sub-distributors an obligation of such sub-distributor to permit Celgene to perform an audit of the premises and operations of such sub-distributor. Audit of sub-distributors shall be done in close coordination with BeiGene and the result of such audit shall be shared with BeiGene and BeiGene shall promptly take all steps necessary to remedy

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any issues identified by Celgene as requiring modification to ensure compliance with applicable regulations and the Celgene Promotion Policies.

9. USE OF THE TRADEMARK

9.1 BeiGene shall have (without prejudice to the right of BeiGene to use or appoint sub-distributors pursuant to Section 2.1 a) a non-sublicensable, non-transferable and (except in conjunction with an assignment of this Agreement pursuant to Section 17.1) non-assignable, exclusive right to use the Trademark solely for Selling the Product in the Territory during the term in accordance with this Agreement. The use of the Trademark shall always be subject to the prior written approval of Celgene, not to be unreasonably withheld, and such use shall cease immediately upon receipt of such notice from Celgene. BeiGene shall not directly or indirectly challenge the validity of the Trademark and shall not aid or assist third parties to do so. BeiGene shall indicate on all packaging and promotional material for the Product that the relevant Trademark belongs to Celgene (or its designated Celgene Group member). The use by BeiGene of the Trademark shall not constitute or imply any assignment or transfer of the Trademark or any goodwill associated with it. Whatever use BeiGene makes of the Trademark shall inure to the sole and exclusive benefit of the Product in accordance with this Agreement. If for any reason BeiGene (or any BeiGene Group member) adopts, develops or acquires any right in the Trademark or its goodwill, then BeiGene shall on expiration or any termination of this Agreement assign, at no charge, to Celgene (or its designated Celgene Group member) all rights in such Trademark in accordance with Section 16.3.

9.2 BeiGene shall not use the Trademark within the Territory for any product other than the Product and shall use the Trademark only for the purpose of Selling Product in the Territory under the Agreement and subject to the terms and conditions in the Agreement.

9.3 If BeiGene wishes to co-brand a Product under the Trademark and such co-branding is not prohibited by applicable laws in the Territory, BeiGene shall submit a sample of such proposed co-brand to Celgene for its review and approval. Celgene shall have the sole discretion to approve such co-branding, and seek the Registration for such co-branding if it decides to do approve such proposal for co-branding. BeiGene shall register the BeiGene Trademark in the Territory and shall take all such actions as are required to continue and maintain in full force and effect in the Territory the BeiGene Trademark and the registrations thereof, and shall be solely responsible for all expenses incurred in connection therewith. As between the Parties, BeiGene shall be the exclusive owner of the BeiGene Trademarks in the Territory.

10. INFORMATION ABOUT, SIDE EFFECTS, SAFETY AND MISCELLANEOUS INFORMATION

10.1 Each party shall promptly inform the other during the term of the Agreement of all undesired side effects, dam ages, toxicity or sensitivity reactions associated with the use of the Product, regardless of whether these effects are attributable to the Product. Celgene shall have the right to withhold the supply of the Product or to take any other reasonable action, and BeiGene shall have the right to withhold the commercialization of the Product or to take any other reasonable action, if there appear side effects with respect to the Product so severe as to justify such suspension or any other action. Except as otherwise provided in Article 12, no compensation claim or indemnification shall be accepted in respect to actions permitted under this Section 10.1. BeiGene (including BeiGene Group members) shall comply with the adverse event and recall policies and procedures of Celgene as provided in writing to BeiGene by Celgene and as required by applicable laws and regulations. Celgene shall provide BeiGene's per-

sonnel with training of its adverse event policy, e.g. train the trainers, and be responsible for the costs associated with its own trainers and preparation of the training materials.

10.2 BeiGene and Celgene shall co-operate with one another and share information concerning the pharmaceutical safety of the Product. Each party shall:

a) promptly advise the other of any information that comes to its knowledge that may affect the safety effectiveness or labeling of the Product and any actions taken in response to such information;

b) promptly advise the other of any new information that comes to its knowledge of chemical, physical or other properties of the Product or its ingredients and any changes in manufacturing and controls, to the extent such information is necessary to and needed by the license holder; and

c) timely provide the other with copies or summaries of all reports of toxicological studies or clinical trials involving the Product of which the informing party may be aware, as far as this relates to changes in the safety profile of the Product or significant new information which is necessary to and needed by the license holder.

Treatment of safety information, standard operating procedures and a statement of respective regulatory obligations shall be agreed in a separate Safety Data Exchange Agreement between BeiGene and Celgene (or its designated Celgene Group member) to be executed as promptly as possible following the Effective Date and no later than [...***...] following the Effective Date. Upon execution by the Parties of the Safety Data Exchange Agreement, the terms of the Safety Data Exchange Agreement shall thereafter control with respect to the obligations of the parties regarding the exchange of safety data as described in this Article 10.

10.3 The parties shall, at appropriate times, exchange any observations regarding possible imitations of the Product, any other use to which a third party might put the Product or preparations containing the Product, either within or outside the Territory and regardless of whether such use involves the combination of any of the Product with another drug or another ingredient.

10.4 If BeiGene (including any BeiGene Group member) receives any complaint relating to the quality or condition of the Product or its packaging, or the Trademark or the Patents, from any third party, BeiGene shall forthwith acknowledge receipt of such complaint but shall not make any admissions in respect thereof which could result in liability to Celgene (or any other Celgene Group member), through indemnification or otherwise. BeiGene shall notify Celgene in writing as soon as practicable and in any event within [...***...] ([...***...] for any matter relating to the safety of the Product) of receipt of such complaint. BeiGene shall offer reasonable cooperation to Celgene (and other Celgene Group members designated by Celgene) in investigating any complaint and the circumstances surrounding it and shall comply with Celgene's standard operating procedures (" **SOPs** ") in respect of adverse events, product recall or other related matters, a copy which shall be provided to BeiGene.

11. CONFIDENTIALITY

11.1 BeiGene acknowledges and agrees that the Scientific Information, Know-how and Other Confidential Infor mation is the confidential and/or proprietary information of Celgene. Celgene acknowledges that all Confidential Information that BeiGene may disclose to Celgene under the Agreement, including its confidential marketing strategy and business information is the confidential and/or proprietary information of BeiGene. BeiGene and Celgene, on behalf of themselves, the members of their re-

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

spective Groups and respective directors, officers, employees, agents and advisors (" **Representatives** "), undertakes that during the term and after the expiration or any termination of the Agreement for any reason: (1) all Confidential Information, including all Scientific Information, Know-how and Other Confidential Information, which is transmitted by one Party to the other Party under the Agreement shall be treated in confidence by the latter and shall not be disclosed to any third party or used by the receiving Party (including by such receiving party's Group and Representatives) or furnished to any other party for any purpose inconsistent with the Agreement; and (2) the receiving party shall take all commercially reasonable and appropriate precautions to observe such confidentiality and non-use obligations, and for any members of its Group and its Representatives to do so, and shall not disclose such information to any third party. In this connection, the receiving party (including its Group and its Representatives) shall take all commercially reasonable measures to ensure that employees or third party collaborators (as approved in writing beforehand by the disclosing Party) observe strict secrecy in respect of any of the said Confidential Information, including all Scientific Information, Know-how and Other Confidential Information and that such disclosure is limited to only those persons who have a need to know same for the purpose of performing the Agreement. For the avoidance of doubt, these obligations shall also extend to the members of the receiving party's Group and that may from time to time be granted or otherwise obtain access to or use of such Confidential Information, including all Scientific Information, Know-how and Other Confidential Information for the purpose of performing the Agreement.

11.2 The obligations of the receiving Party (including those of the receiving Party's Group and Representatives) contained in the previous paragraph shall not apply to Scientific Information, Know-how and Other Confidential Information, which the receiving Party can so prove by reasonable documentation:

a) is generally available in the public domain by the time it is divulged;

b) had already been known to the receiving Party at the time it was divulged if the source of such information was entitled to disclose the information;

c) is made known to the receiving Party by way of independent third parties, without these parties having received it directly or indirectly from any Group members of the other Party and being at the time of transmitting it not under a non-disclosure obligation; or

d) is required by law, by a competent court or an administrative body to be disclosed; if the receiving Party , any of its Group's members or any of its Representatives are requested or required to disclose any such information, the receiving Party shall promptly notify in writing the other Party of such request or requirement so that the other Party (or its designated Group member) may seek a protective order or waive compliance with the provisions of this Agreement, and/or take any other mutually agreed action.

12. RESPONSIBILITY AND INSURANCE COVER; REPRESENTATIONS AND WARRANTIES

12.1 BeiGene shall defend Celgene and each member of the Celgene Group, its agents, directors, officers and employees (" **Celgene Indemnitees** "), at BeiGene's cost and expense, and shall indemnify and hold harmless the Celgene Indemnitees from and against any and all third party claims (" **Claims** ") for losses, costs, damages, fees or expenses under this Agreement (collectively, " **Losses"**) to the extent they arise out of or in direct connection with (a) BeiGene's material breach of its representations, warranties or obligations under this Agreement; or (b) any act or omission after the Effective Date of a sub-distributor engaged by BeiGene; except, in each of (a) and (b) to the extent such Losses arise from: (i) Celgene's material breach of its representations,

warranties or obligations under the Agreement, or (ii) the negligence, recklessness or willful misconduct of a Celgene Indemnitee .

12.2 Celgene shall defend BeiGene, its agents, directors, officers and employees (" **BeiGene Indemnitees** "), at Celgene's cost and expense, and shall indemnify and hold harmless the BeiGene Indemnitees from and against any and all claims for Losses to the extent they arise out of or in direct connection with (a) Celgene's material breach of its representations, warranties or obligations under this Agreement; (b) any injury, damages or health complications that are attributable to the use of a Product Sold by or on behalf of BeiGene in the Territory that did not conform with the Specifications at the time the Product is placed by Celgene (or the designated Celgene Group member) in the custody of the carrier for transfer to BeiGene; or (c) the actual or alleged infringement of the intellectual property rights of any third party as a result of the sale, offer for sale, commercialization or import of Product by BeiGene in accordance with the terms of this Agreement, except to the extent that such Losses: (i) are subject to indemnification of a Celgene Indemnitee by BeiGene pursuant to Section 12.1 above or (ii) arise from the negligence, recklessness or willful misconduct of a BeiGene Indemnitee, including, by way of example, misrepresentation of the Product by BeiGene, its marketing and promotion service vendor in violation of the Celgene Promotion Policies .

12.3 Any party that proposes to assert the right to be indemnified under the Agreement shall promptly, after receipt of notice of commencement of any action against such party in respect of which a claim is to be made against an indemnifying party or parties under the Agreement, notify in writing each such indemnifying party of the commencement of such action, enclosing a copy of all papers served, but the omission so to notify such indemnifying party shall not relieve it from any liability that it may have to any indemnified party under the Agreement, unless and only to the extent that, such omission results in the forfeiture of substantive rights or defenses by the indemnifying party. If any such action is brought against any indemnified party and it notifies the indemnifying party of its commencement, the indemnifying party shall be entitled to participate in and, to the extent that it elects by delivering written notice to the indemnified party promptly after receiving notice of the commencement of the action from the indemnified party, jointly with any other indemnifying party similarly notified, to assume the defense of the action, with counsel satisfactory to the indemnified party, and after notice from the indemnifying party to the indemnified party of its election to assume the defense, the indemnifying party shall not be liable to the indemnified party for any legal or other expenses except as provided below and except for the reasonable costs of investigation subsequently incurred by the indemnified party in connection with the defense. The indemnified party shall have the right to employ its own counsel in any such action, but the fees, expenses and other charges of such counsel shall be at the expense of such indemnified party unless (1) the employment of counsel by the indemnified party has been authorized in writing by the indemnifying party, (2) the indemnified party has reasonably concluded (based on the reasonable advice of counsel) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, (3) a conflict or potential conflict exists (based on the reasonable advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party shall not have the right to direct the defense of such action on behalf of the indemnified party) or (4) the indemnifying party has not in fact employed counsel to assume the defense of such action within a reasonable time after receiving notice of the commencement of the action, in each of which cases the reasonable fees, disbursements and other charges of counsel shall be at the expense of the indemnifying party or parties. The indemnifying party or parties shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements and other charges of more than one separate firm admitted to practice in such jurisdiction at any one

time for all such indemnified party or parties. All such fees, disbursements and other charges shall be reimbursed by the indemnifying party promptly as they are incurred. An indemnifying party shall not be liable for any settlement of any action or claim effected without its written consent (which consent shall not be unreasonably withheld). No indemnified party shall make any admission of liability or compromise any claim without the indemnifying party's written consent.

12.4 Upon the Effective Date, BeiGene shall, at its own expense, have in place and maintain for the term of the Agreement and for a period of not less than [...***...] thereafter, policies of comprehensive general liability and product liability insurance covering claims in the Territory for bodily injury and property damage as well as damages to property and intangibles with respect to the obligations of BeiGene (including BeiGene Group members) under the Agreement. Such policies shall contain standard limits within the pharmaceutical industry and shall be with a reputable and experienced carrier. BeiGene may self-insure all or part of any such obligation consistent with pharmaceutical industry practices. Evidence of the existence and continuation of such insurance shall be provided to Celgene within [...***...] after the Effective Date and annually and at such other times as Celgene may reasonably request.

12.5 Celgene shall, at its own expense, have in place and maintain for the term of the Agreement and for a period of not less than [...***...] thereafter, policies of comprehensive general liability and product liability insurance with respect to its obligations under this Agreement under ordinary terms and conditions in the pharmaceutical industry, either through self-insurance or a combination of self-insurance and commercially placed insurance, and shall confirm the existence thereof in writing upon the request of BeiGene.

12.6 Celgene hereby represents and warrants to BeiGene that all Product shall be manufactured and supplied in accordance with the Agreement and shall conform to the Specifications at the time of delivery. THE WARRANTIES IN ARTICLE 15 AND THIS 12.6 ARE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. CELGENE MAKES NO WARRANTIES, EXPRESS OR IMPLIED, (INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE) WITH RESPECT TO THE PRODUCT, EXCEPT AS IN THIS PARAGRAPH OTHERWISE EXPRESSLY PROVIDED.

12.7 BeiGene expressly agrees that it will not do anything under the Agreement which could cause Celgene to be in breach of Trade Control Laws. A violation of this Section shall be a material breach of BeiGene. BeiGene's obligation under this Section shall survive termination of the Agreement.

13. DURATION AND TERMINATION OF THE AGREEMENT; LIMITATION ON DAMAGES

13.1 The Agreement shall enter into force and effect on the Effective Date and shall remain in full force and effect for a period of ten (10) years (the " **Term** "). This Agreement shall automatically expire and terminate at the end of the Term unless the Parties mutually agree in writing to extend the Term.

13.2 Either party has the right to terminate the Agreement with immediate effect by written notice if the other party breaches any material provision contained in the Agreement applicable to it and fails to rectify such breach within [...***...] of receipt of written notice from the other party.

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

13.3 Celgene reserves its right to immediately terminate the Agreement, upon written notice to BeiGene:

a) should BeiGene violate Trade Control Laws or the terms and conditions set forth by the OFAC Authorization to any Sanctioned Countries;

b) should a sub-distributor of BeiGene violate Trade Control Laws or the terms and conditions set forth by the OFAC Authorization to any Sanctioned Countries and BeiGene fail to terminate its agreement with the sub-distributor upon becoming aware of such violation;

c) should BeiGene challenge the validity of the Trademark or Patents or opposes any grant or registration thereof or any application therefore by any Celgene Group member;

d) should a sub-distributor of BeiGene challenge the validity of the Trademark or Patents or oppose any grant or registration thereof or any application therefore by any Celgene Group or make any unauthorized or unapproved use of the Trademark or Patents and BeiGene fail to terminate its agreement with the sub-distributor upon becoming aware of such challenge, opposition or unauthorized or unapproved use; or

e) should BeiGene make any unauthorized or unapproved use of the Trademark or Patents.

13.4 Furthermore, Celgene may, at will, immediately terminate the Agreement with respect to Revlimid by giving written notice to BeiGene, [...***...].

13.5 Either party has the right to terminate the Agreement with immediate effect by written notice under any of the following circumstances:

a) the other party makes a general assignment for the benefit of creditors, appoints or suffers appointment of a receiver or trustee over all or substantially all of its property, files a petition under any bankruptcy or insolvency act or has any such petition filed against it which is not dismissed, discharged, bonded or stayed within [...***...] after the filing thereof;

b) the Registration is revoked for any reason in the Territory for any Product, in which case this Agreement shall be terminated with regard to this Product and shall remain in full force and effect in all other aspects for all other Products;

c) in case of the proven occurrence of unethical or criminal behavior of any of such party's (including such party's Group member's) directors or other senior level managers or officers; or

d) adoption or enactment of any law regulation which may in any manner invalidate the Agreement as a whole.

13.6 In the event of the consummation by either party of a merger, acquisition or similar change of control transaction, or the acquisition by such party of a company or entity within the Territory, then, such party shall provide written notice to the other party. Within [...***...] of such written notice, the parties will discuss in good faith any changes in the supply requirements of the Agreement that the notifying party may request as a result of such transaction. During such notice period, BeiGene shall conduct its business with the Product in ordinary course, and Celgene retains the right to refuse to sell quantities of Product which exceed by [...***...] the forecasted demand of BeiGene during the notice period.

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13.7 Except for other provisions in this Agreement, upon termination of the Agreement for any reason set forth herein and at Celgene's request, BeiGene shall promptly take all action that may be reasonably required to transfer all customers list, promotional materials and any other information it has generated for Selling the Product in the Territory, as well as any remaining inventories of Product to Celgene or a third party designated by Celgene in accordance with Section 13.12. In addition, BeiGene shall promptly transfer to Celgene or to the legal entity indicated by Celgene all documents Controlled by BeiGene relating to the Product or the Registration necessary for a smooth transition of the right of BeiGene to sell Product back to Celgene; all rights granted by Celgene to BeiGene (including to any BeiGene Group member) under the Agreement shall revert to Celgene (and BeiGene shall reasonably cooperate with Celgene (or its designated Celgene Group member) to take all necessary steps to cancel all registrations made by BeiGene, if any, of the Trademark).

13.8 In the event of termination of the Agreement, the parties acknowledge that this shall not affect either party's right to indemnity for any damages incurred as a result of the other party's actions.

13.9 Each party's rights of termination shall be in addition to any other rights and remedies available to it by law or in equity.

13.10 Termination of the Agreement shall be without prejudice to any rights that shall have accrued to the benefit of either party before such termination, including the right of either party to receive or recover: (a) damages sustained by reason of the breach of the Agreement by the other party, or (b) any payments which may then be owing under the terms of the Agreement (including any invoice). In addition, the following provisions of this Agreement shall survive termination of this Agreement indefinitely (unless the period is otherwise specified therein) or the termination hereof: Section 3.2.8 and Articles 11, 12, 13, 14 and 16.

13.11 IN NO EVENT SHALL MEMBERS OF THE CELGENE GROUP OR THE BEIGENE GROUP, AS THE CASE MAY BE, BE RESPONSIBLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES INCURRED BY THE OTHER PARTY (INCLUDING ANY MEMBERS OF THE CELGENE GROUP OR BEIGENE GROUP, AS THE CASE MAY BE) IN CONNECTION WITH THE AGREEMENT OR THE TERMINATION THEREOF, INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR OPPORTUNITIES, UNLESS [...***...].

13.12 Upon expiration or any termination of the Agreement, Celgene shall have the option (exercisable by written notice to BeiGene to be given not more than [...***...] after expiration or termination), without prejudice to any rights or remedies which it may have against BeiGene, to inspect and repurchase from BeiGene at the price (less taxes (other than import duty), carriage and insurance if included in such price) paid by BeiGene therefor all of or any of the Product supplied to BeiGene which are not subject to orders from customers and is in good and saleable condition. BeiGene may dispose of any Products, in accordance with all applicable laws and regulations, over which Celgene does not exercise such option.

13.13 Upon expiration or any termination of the Agreement, BeiGene (including any BeiGene Group member) shall cease forthwith the use of all samples, advertising and promotional literature, technical data, point of sale and other material supplied by Celgene or any Celgene Group member and in the possession or under the control of BeiGene, or any member of the BeiGene Group and its Representatives and shall return them to Celgene or to any third party designated by Celgene in writing (including RMinP data). BeiGene shall also cease immediately the use of any Internet website relating to the Product as well as the Trademark.

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14. GOVERNING LAW AND INSTRUMENT; DISPUTE RESOLUTION

14.1 The Agreement shall be governed, construed and interpreted in accordance with the laws of the State of New York, USA. However, the laws of the Territory, as the case may be, shall apply:

(1) to the extent specifically provided in this Agreement;

(2) with respect to regulatory matters or the proper handling of pharmaceutical products, including the Product; or

(3) to the extent required by public policy.

For the avoidance of doubt, notwithstanding the above, the parties exclude the application of any international statutes on the sales of goods, including the United Nations Convention on International Contracts for the Sales of Goods. The Agreement shall be in the English language and the English version of the Agreement shall be deemed the official and governing instrument, notwithstanding any translations thereof.

14.2 In the event of any dispute arising out of or in connection with the Agreement, the parties shall try to settle those conflicts amicably between themselves. In particular, the parties may use their Agreement Managers to resolve disputes under this Agreement by negotiation. If the parties shall be unable to resolve any such dispute within [...***...], the matter shall be referred to [...***...] for further review and resolution. If they fail to agree within a second [...***...] period, the dispute shall be resolved by arbitration in accordance with the following paragraph.

14.3 Except as otherwise expressly provided in the Agreement, any dispute between the parties arising in connection with the Agreement and/or their performance hereunder not resolved pursuant to Section 14.2 shall be finally resolved through binding arbitration. The arbitration shall be conducted pursuant to the rules of the International Chamber of Commerce (" **ICC** ") and the provisions of this Section 14.3. The arbitration shall be conducted by a panel of [...***...] arbitrators. Within [...***...] after the initiation of the arbitration, each party will nominate one person to act as an arbitrator, and the two arbitrators so named will then jointly appoint the [...***...] arbitrator within [...***...] of their appointment, who will serve as chairman of the arbitration panel. All [...***...] arbitrators must be independent third parties having at least [...***...] of dispute resolution experience (including judicial experience) and/or legal or business experience in the biotech or pharmaceutical industry. If either party fails to timely nominate its arbitrator, or if the arbitrators selected by the parties cannot agree on the person to be named as chairman within such [...***...] period, the ICC will make the necessary appointments for such arbitrator(s) or the chairman. Once appointed by a Party, such Party will have no ex parte communication with its appointed arbitrator. The place of arbitration will be New York, New York or such other venue as the Parties may mutually agree. The arbitration proceedings and all communications with respect thereto will be in English. Any written evidence originally in another language will be submitted in English translation accompanied by the original or a true copy thereof. The arbitrators have the power to decide all matters in Dispute, including any questions of whether or not such matters are subject to arbitration hereunder. The decisions of the arbitrators shall be final and binding on the Parties and shall not be subject to appeal. The arbitrators shall have no authority to award any punitive, exemplary, consequential, indirect, special or other similar damages. [...***...]. No Party, nor any of the arbitrators, shall be permitted to disclose the existence, content or results of any arbitration proceedings pursuant to this Section 14.3, without the prior written consent of all Parties.

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a) The award of the arbitration tribunal shall be final and binding upon the parties and application may be made to any competent court for juridical acceptance of such an award and order of enforcement.

b) Neither party nor any arbitrator may disclose the existence, content, or results of any arbitration under the Agreement without the prior written consent of both parties, unless and only to the extent such disclosure is required by law.

Notwithstanding anything contained in this Article 14, either party may seek interim or provisional relief or measures in any applicable courts and tribunals that may be necessary to protect the rights of a party pending the establishment of the arbitration tribunal or pending the arbitration tribunal's determination of the merits of the controversy.

15. REPRESENTATIONS, WARRANTIES AND COVENANTS

15.1 Representations, Warranties and Covenants of BeiGene .

BeiGene makes the following representations, warranties and covenants:

(a) Corporate Power . BeiGene is duly organized and validly existing under the laws of the Cayman Islands and has full corporate power and authority to enter into the Agreement and to carry out its provisions.

(b) Due Authorization . BeiGene is duly authorized to execute and deliver the Agreement and to perform its obligations under the Agreement. The person executing the Agreement on BeiGene's behalf has been duly authorized to do so by all requisite corporate action.

(c) Binding Agreement . The Agreement is a legal and valid obligation binding upon BeiGene and enforceable in accordance with its terms. The execution, delivery and performance of the Agreement (including, without limitation, Section 2.4) by BeiGene (including BeiGene Group members) does not conflict with any agreement, instrument or understanding, oral or written, to which BeiGene, any member of the BeiGene Group or its Representatives is a party or by which BeiGene, any member of the BeiGene Group or its Representatives may be bound, nor violate any material law or regulation of any court, governmental body or administrative or other agency having jurisdiction over it.

(d) Validity . BeiGene is aware of no action, suit or inquiry or investigation instituted by any local, country, U.S. or other governmental or regulatory agency or by any other person or company that questions or threatens the validity of the Agreement.

(e) Public and Commercial Bribery Representations . BeiGene has not, and covenants and agrees that it will not, in connection with the transactions contemplated by this Agreement or in connection with any other business transactions involving Celgene, make, promise or offer to make any payment or transfer of anything of value, directly or indirectly: (i) to any Foreign Official (as defined in Article 1 of this Agreement) or to an intermediary for payment to any Foreign Official; or (ii) to any political party. It is the intent of the Parties that no payments or transfers of value shall be offered or made which have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks or other unlawful or improper means of obtaining business. This subsection shall not, however, prohibit normal and customary business entertainment in connection with BeiGene’s performance under this Agreement.

(f) BeiGene Certifications. BeiGene agrees that it will, and will cause each of its directors, officers, employees, agents or other representatives who have any direct involvement with any of the management or operations of the business of BeiGene under this Agreement, at the request of Celgene, and at least annually, provide Celgene with a certification in the form hereto attached and incorporated by reference as Schedule F.

(g) BeiGene's Continuing Obligation to Advise. BeiGene agrees that should it learn or have reason to know of: (i) any payment, offer, or agreement to make a payment to a Foreign Official or political party for the purpose of obtaining or retaining business or securing any improper advantage for Celgene under this Agreement or otherwise, or (ii) any other development during the term of this Agreement that in any way makes inaccurate or incomplete the representations, warranties and certifications of BeiGene hereunder given or made as of the date hereof or at any time during the term of this Agreement, relating to the FCPA, Celgene's FCPA Policy, BeiGene will immediately advise Celgene in writing of such knowledge or suspicion and the entire basis known to BeiGene therefor.

(h) Disclosure to U.S. Government. Notwithstanding any other provisions contained in this Agreement (in particular in Article 11), BeiGene agrees that full disclosure of information relating to a possible violation of Celgene's FCPA Policy or the existence and terms of this Agreement, including the compensation provisions, may be made at any time and for any reason to the U.S. government and its agencies, and to whomsoever Celgene has a legitimate need to know.

15.2 Representations, Warranties and Covenants of Celgene .

Celgene makes the following representations, warranties and covenants:

(a) Corporate Power . Celgene is duly organized and validly existing under the laws of Switzerland and has full corporate power and authority to enter into the Agreement and carry out the provisions of the Agreement.

(b) Due Authorization . Celgene is duly authorized to execute and deliver the Agreement and to perform its obligations under the Agreement. The person executing the Agreement on Celgene's behalf has been duly authorized to do so by all requisite corporate action.

(c) Binding Agreement . The Agreement is a legal and valid obligation binding upon Celgene, and enforceable in accordance with its terms. The execution, delivery and performance of the Agreement by Celgene does not conflict with any agreement, instrument or understanding, oral or written, to which Celgene or any member of the Celgene Group is a party or by which it may be bound, nor violate any material law or regulation of any court, governmental body or administrative or other agency having jurisdiction over it.

(d) Validity. Celgene is aware of no action, suit or inquiry or investigation instituted by any local, country, U.S. or other governmental or regulatory agency or by any other person or company that questions or threatens the validity of the Agreement.

(e) No Infringement. To the best knowledge of Celgene, the Selling of Product in the Territory pursuant to the Agreement does not infringe any valid Patent or Trademark or misappropriate or otherwise violate any Know-How of any third party existing as of the Effective Date.

16. INTELLECTUAL PROPERTY

16.1 If either party becomes aware of any actual, threatened or suspected infringement by a third party of any Trademark or Patents in the Territory, it shall promptly inform the other party in writing of all available evidence and details available concerning said infringement. With respect to any actual, threatened or suspected infringement of the Trademark or Patents in the Territory, Celgene shall discuss such matter with BeiGene to solicit its views as any potential action that may or may not be taken by Celgene or any member of the Celgene Group in relation to the Trademark or Patents. Celgene (or its designated Celgene Group member) shall have the sole right, but not the obligation, to bring, defend, or maintain any suit or action or to control the conduct thereof against any actual, threatened or suspected infringement. If Celgene shall so elect, it shall bear the relevant expenses, but BeiGene shall assist and cooperate with the Celgene Group in any such enforcement or defense (with Celgene to reimburse BeiGene for all reasonable out of pocket costs, if any, relating to such enforcement or defense). If Celgene requests BeiGene to join Celgene (or its designated Celgene Group member) in such suit or action, BeiGene (including any BeiGene Group member) shall execute all papers and perform such other acts as may be reasonably required, in which case Celgene shall reimburse BeiGene for all of its reasonable out of pocket costs, if any. If Celgene (or its designated Celgene Group member) lack standing to bring any such action, then Celgene may ask BeiGene to do so, in which case BeiGene shall have the sole right, but not the obligation, to bring any such action and Celgene shall reimburse BeiGene for its reasonable costs and expenses, including all of its reasonable internal and out-of-pocket costs in connection therewith, if any, and BeiGene shall conduct such action in accordance with Celgene's instructions. In any such action brought by Celgene (or its designated Celgene Group member) (or by BeiGene in conjunction with Celgene or its designated Celgene Group member), Celgene shall retain any and all damages and recoveries. For clarity, BeiGene (including the BeiGene Group and its Representatives) may not, and will not, engage in any Patent or Trademark enforcement or revocation action without express advance written authorization from Celgene.

16.2 Subject to the terms and conditions of Section 12.3, Celgene shall defend all BeiGene Indemnitees, at Celgene's cost and expense, and shall indemnify and hold harmless the BeiGene Indemnitees from and against any and all claims for Losses indemnify and defend BeiGene from and against any suit instituted against BeiGene for alleged infringement of any third party patent or trademark in the Territory resulting from BeiGene's Selling of the Product under the Agreement. BeiGene shall assist and cooperate with Celgene (and/or its designated Celgene Group member) in the defense of any such action at Celgene's sole cost and expense. Except as specifically provided by this paragraph, Celgene does not guarantee, warrant or provide any other intellectual property protection to BeiGene. Except as otherwise specifically provided by this paragraph, neither Celgene nor any other Celgene Group member shall be obligated, liable or in any way responsible to BeiGene or any other BeiGene Group member because of any alleged or actual violations of intellectual property rights arising from or in connection with the Selling of the Product.

16.3 BeiGene shall reasonably cooperate with and assist Celgene and/or any Celgene Group member, at the expense of Celgene, in any action taken by the Celgene Group to protect its trademarks (including the Trademark), trade names, patents (including the Patents), copyrights, and other intellectual property owned by or licensed to it and related to the Product. BeiGene (including the BeiGene Group and its Representatives) shall not contest or challenge the validity of, or aid or assist others to contest or challenge the validity of the Patents or the Trademark related to the Product. .

16.4 BeiGene (including the BeiGene Group and its Representatives) shall have no rights to use the corporate name of Celgene or any other member of the Celgene Group, or to use any trademarks (other than the Trademark and only in accordance with the terms and conditions of this Agreement) or trade names of Celgene or any member of the Celgene Group, except as may be approved in advance in writing by Celgene. Upon the expiration or any termination of the Agreement, for any reason, BeiGene agrees immediately to discontinue all uses of such corporate name, trademarks (including the Trademark) or trade names, and shall immediately discontinue any and all representations, direct or implied, that it is a distributor of Celgene (or any other Celgene Group member).

16.5 Whatever use BeiGene makes of the corporate name, or any trademark (including the Trademark) or trade name of the Celgene Group, if permitted as provided herein, shall be for and inure to the exclusive benefit of Celgene. If BeiGene (including any BeiGene Group member) adopts, develops, or acquires, directly or indirectly, any right in any name, symbol, or trademark for identifying the Product, or in any goodwill developed in connection with the same, it shall, upon request or demand by Celgene, assign to Celgene (or another member of the Celgene Group designated by Celgene), at no charge, all of BeiGene's or the BeiGene Group member's rights in said name, symbol, or trademark, together with the goodwill of the business in connection with which said name, symbol, or trademark is used.

17. MISCELLANEOUS PROVISIONS

17.1 Assignment. Sub-contracting . Subject to Section 2.1 a), the Agreement or any interest in the Agreement shall not be assignable or transferable by BeiGene, whether by sub-contracting, assignment, merger, acquisition of all or substantially all of BeiGene's assets or otherwise, without the prior written consent of Celgene which shall not be unreasonably withheld; provided, that, BeiGene may assign this Agreement to any affiliate (including to any member of the BeiGene Group) and to any successor in interest to all or substantially all of BeiGene's assets to which this Agreement relates , whether by reason of any asset sale, merger, acquisition, reorganization, consolidation or other change of control transaction provided such assignee undertakes to Celgene in writing in advance of such assignment to assume all obligations under the Agreement without limitation or exception .

The Agreement shall be binding upon the successors and permitted assigns of the parties and the name of a party appearing herein shall be deemed to include the names of such party's successors and permitted assigns to the extent necessary to carry out the intent of the Agreement. Any assignment or transfer not in accordance with this Section 17.1 shall be void and of no force and effect.

17.2 Further Actions . Each party agrees to execute, acknowledge and deliver such further instruments, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of the Agreement.

17.3 Force Majeure . Neither party shall be responsible for any delay or failure to perform its obligations under the Agreement or shall be liable to the other for loss or damages for any default or delay caused by conditions beyond its reasonable control, including but not limited to, acts of God, governmental restrictions, wars or insurrections, strikes, floods, work stoppages, lack of materials, if any of the parties affected shall give prompt written notice of such cause to the other party. The party giving such notice shall thereupon be excused from such of its obligations under the Agreement as it is thereby disabled from performing for so long as it is so disabled, if such affected party commences and continues to take reasonable and diligent actions to cure such cause.

17.4 No Other Rights. Except as otherwise expressly provided in the Agreement, no other right, express or implied, is granted by the Agreement.

17.5 Public Announcements. Neither party (including any members of the Celgene Group or the BeiGene Group and its Representatives) shall make any press release, statement or public announcement (including by means of advertising or sales promotional materials) concerning the Agreement or the subject matter of the Agreement (including by mentioning or referring in any way to any member of the Celgene Group or BeiGene Group or names of their employees), unless such announcement shall be required by law or unless such announcement is agreed in writing in advance by the parties.

17.6 Notices. All notices and other communications under the Agreement shall be in writing in the English language and shall be deemed given if delivered personally or by facsimile transmission (receipt verified), mailed by registered or certified mail (return receipt requested), postage prepaid, or sent by express courier service, to the parties at the following addresses (or at such other address for a party as shall be specified by like notice; notices of a change of address shall be effective only upon receipt thereof):

If to Celgene, addressed to:
Celgene Logistics Sàrl
Route de Perreux 1
2017 Boudry
Switzerland
Attention: Legal Department
Facsimile: [...***...]

If to BeiGene, addressed to:
BeiGene, Ltd.
c/o Mourant Ozannes Corporate Services (Cayman) Limited
94 Solaris Avenue
Camana Bay
Grand Cayman KY1-1108, Cayman Islands
Attention: Chairman and Chief Executive Officer
Fax: [...***...]

17.7 Amendment. No amendment, modification or supplement of any provision of the Agreement shall be valid or effective unless made in writing and signed by a duly authorized officer or director of each party.

17.8 Waiver. No provision of the Agreement shall be waived by any act, omission or knowledge of any party or its agents or employees except by an instrument in writing expressly waiving such provision and signed by a duly authorized officer or director of the waiving party.

17.9 Counterparts. The Agreement may be executed in any number of counterparts, each of which need not contain the signature of more than one party but all such counterparts taken together shall constitute one and the same agreement.

17.10 Severability. Whenever possible, each provision of the Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of the Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of the Agreement.

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

17.11 Independent Contractors .

17.11.1 The relationship between Celgene and BeiGene created by the Agreement is one of independent contractors and neither party shall have the power or authority to bind or obligate the other. Neither party (including any Group member) shall not engage in any conduct that might create the impression or inference that Celgene is a partner, joint venturer, agent or representative of BeiGene. There is no employee-employer relationship between Celgene and BeiGene or any of its Representatives. For the avoidance of any doubt, this Agreement is entered into between Celgene Logistics Sarl and BeiGene and the references to Celgene Corp. or other Celgene Group members is only to provide clarification of the intercompany arrangements existing with Celgene Logistics Sarl, and the members of the Celgene Group shall remain third parties to this Agreement.

17.11.2 The parties agree and acknowledge that (A) the terms of the Agreement with respect to the Term and (B) the terms and form of the Agreement are not intended to give rise to, and shall not be treated by the parties as giving rise to, in whole or in part, a partnership for U.S. federal income tax purposes, or any other purposes. Neither party shall take any position or cause their Affiliates to take any position inconsistent with this Section 17.11 for tax purposes (including with respect to filing U.S. federal income tax returns and in the course of any audit, review or litigation), unless otherwise required by applicable law.

17.12 Local Law Requirements . Except as otherwise specifically provided herein, each party shall each, at their own expense in their respective countries, take such steps as may be required to satisfy any laws or requirements with respect to declaring, filing, recording or otherwise rendering the Agreement valid.

17.13 Expenses. Each party shall bear its own expenses and costs incurred in the negotiations leading up to and in preparation of the Agreement and of matters incidental to the Agreement.

17.14 Taxes . All payments hereunder shall be made free and clear, and without deduction or withholding, or on account of any present or future taxes, duties, levies, withholdings or other similar charges, including any interest, additions to tax and penalties (" **Taxes** "). Each party acknowledges that the purchase price for the goods and services provided hereunder does not include any value added Taxes, which may be charged in addition if legally owed by Celgene. Each party shall bear any taxes imposed on such party in connection with the performance of this Agreement. If any stamp duty is payable on this Agreement, it shall be borne by BeiGene. BeiGene shall bear all customs duties or other fees or charges in connection with the import of the Product. Celgene shall have the right to set-off any amounts due to Celgene under this Agreement from BeiGene for any purpose under this Agreement.

17.15 Entire Agreement of the Parties . The Agreement (including the Medical-Marketing Plan) shall constitute and contain the complete, final and exclusive understanding and agreement of the parties and cancels and supersedes any and all prior negotiations, correspondence, understanding and agreements, whether oral or written, between Celgene and BeiGene respecting the subject matter thereof.

17.16 Responsibility . Joint and several responsibility of BeiGene. BeiGene shall at all time remain jointly and severally responsible for and warrantor of the performance of the other subsidiaries and/or affiliates of the BeiGene Group to which any of the activities hereunder have been assigned or sub-contracted pursuant to Section 17.1.

[*Signature Page Follows*]

Intending to be legally bound, the parties have caused the Agreement to be executed by their duly authorized officers or directors as of the Effective Date.

CELGENE LOGISTICS SÀRL

By: /s/ Claude Giroux
Its: VP Global Manufacturing

By: /s/ Nakisa Serry
Its: Director

BEIGENE, LTD.

By: / s/ Ji Li
Its: EVP, Global Head of BD

Schedule A
Product Purchase Price and Payment Terms

1. PRODUCT PURCHASE PRICE

The parties agree to the following Product Purchase Prices of all products supplied by Celgene to BeiGene regardless of whether for commercial or non-commercial purposes:

[...***...]

2. PAYMENT TO CELGENE

The Product Purchase Price described above shall be paid in the equivalent in USD currency to Celgene by bank wire or electronic transfer (same day funds) to the account and pursuant to the instructions designated by it in writing and as follows:

All deliveries of the Product shall be invoiced by Celgene to BeiGene in the USD currency unless otherwise legally required. Payment of the invoiced amounts shall be made by BeiGene within [...***...] of such invoice.

[...***...].

3. LATE PAYMENTS

Upon any failure to timely make any payment when due hereunder, interest shall accrue and be paid on the entire unpaid balance from the time due until actually paid at [...***...] per annum [...***...].

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Schedule B

Product Description

Generic Name	**AZACITIDINE**
Brand Name:	Vidaza®
[...***...]	

Generic Name	**LENALIDOMIDE**
Brand Name:	Revlimid®
[...***...]	

Generic Name	**Paclitaxel protein-bound particles for injectable suspension**
Brand name:	Abraxane®
[...***...]	

Product Name	CC-122, a Celgene compound under investigation for oral treatment of various cancers.

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Schedule C

Trademarks

[...***...]

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Schedule D
Labeling Policy

[...***... (four pages omitted)]

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Schedule E
Governance

This Schedule summarizes and sets out in more details some of the processes of interaction and decision-making among the Parties described in the Agreement, referred to as the "Governance Model". It is intended to support superior collaboration and business results, in line with both Parties expectations.

It is however agreed and understood by the Parties that in case of and any conflict between the provisions of the Agreement and this Schedule, the provisions of the Agreement shall prevail.

The measures set out in this Schedule may be modified subject to written agreement by both Parties.

1. Agreement Manager .

Pursuant to Section 2.8 of the Agreement, the Parties shall each appoint an Agreement Manager at the Effective Date of the Agreement.

The Agreement Managers of each party will meet in person or discuss via teleconference [...***...] during the term of the Agreement to discuss performance of each party's obligations under this Agreement and any other matters as notified by either party in advance of such meeting.

The Agreement Managers will keep accurate and complete minutes of their meetings to record all actions taken and items discussed. All such minutes and other records of the Agreement Managers will be available to each party.

2. Joint Commercial Committee (JCC) .

(a) Establishment; Meetings . Within [...***...] days after the Effective Date, the Parties will establish the JCC. The JCC will be a forum for discussion, review and coordination regarding the License and Supply Agreement in the Territory, and in connection therewith, each Party agrees to keep the JCC informed, on a summary level, of its progress and activities with respect thereto. The first scheduled meeting of the JCC will be held no later than [...***...] after establishment of the JCC unless otherwise agreed by the Parties. After the first scheduled meeting of the JCC until the JCC is disbanded, the JCC will meet in person or telephonically [...***...], or more or less frequently as the Parties mutually deem appropriate, on such dates and at such places and times as provided herein or as the Parties will agree, provided the JCC will meet [...***...] in person. The JCC will disband upon the expiration or termination of this Agreement in its entirety. Meetings that are held in person will be at such locations as the Parties may agree. The members of the JCC may also convene or be consulted from time to time by means of telecommunications, video-conferences, electronic mail or correspondence, as deemed necessary or appropriate. Each Party will bear all expenses it incurs in regard to participating in all meetings of the JCC, including all travel and living expenses.

i. Membership . The JCC will be composed of [...***...] representatives (or such other number of representatives as the Parties may mutually

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

agree) from each of Celgene and BeiGene (who will be employees of such Party or its Affiliates). Each representative of a Party will have sufficient seniority and expertise to participate on the JCC as determined in such Party's reasonable judgment. [...***...] will have the right to designate the chairperson of the JCC (the " **Chairperson** ") who shall have the final decision-making authority in the event there is a matter that is not addressed by the terms of the Agreement and such matter is put to a vote by the JCC, which results in a tie. Each Party may replace any or all of its representatives on the JCC at any time upon written notice to the other Party. Each Party may, subject to the other Party's prior approval, invite non-member representatives of such Party and any Third Party to attend meetings of the JCC as non-voting participants; provided that any such representative or Third Party is bound by obligations of confidentiality, non-disclosure and non-use consistent with those set forth in the Agreement prior to attending such meeting. [...***...] .

ii. The JCC shall discuss and review the commercial strategy and clinical development of the Products, including matters related to progress, timelines and outcomes;

iii. Agenda; Minutes . The Chairperson or the Chairperson's delegate will be responsible for: (a) preparing JCC meeting agendas reasonably in advance of JCC meetings, which JCC meeting agendas will include all agenda items reasonably requested by any JCC member for inclusion therein; (b) sending invitations and a JCC meeting agenda along with appropriate information for such agenda to all members of the JCC at least five (5) days before the next scheduled meeting of the JCC; and (c) preparing and circulating minutes within [...***...] after each meeting of the JCC setting forth, among other things, a description, in reasonable detail, of the discussions at the meeting. Such minutes will be effective only after being approved by both Parties. Definitive minutes of all JCC meetings will be finalized no later than [...***...] after the meeting to which the minutes pertain.

4. Meetings :

Within [...***...] of the Effective Date of the Agreement, both Agreement Managers shall set out a schedule of meetings between the two Parties for the remainder of the calendar year. Thereafter, during [...***...], both Agreement Managers shall set out the schedule of meetings for the following year.

The scheduling of meetings should take into account all reasonable practical considerations raised by either of the Parties, with a focus on the business operations and implementation of the Medical - Marketing Plan.

The meetings to be scheduled will include the following:

(a) Business review style, face to face meetings, including:

i. An annual kick off meeting in [...***...] to mobilise all personnel behind that years objectives.;

ii. A mid-year meeting to discuss Business Cases for the following year.

(b) Key annual meeting in [...***...]:

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Meeting focused on long term view of the partnership, sign off of the Medical-Marketing Plans, discussions around opportunities and investments.

(c) [...***...] operational meetings:

Meetings that feature functions and topics determined by the Agreement Managers that foster optimal operational effectiveness.

5. Reports

As referred to in the Agreement, BeiGene is subject to reporting obligations towards Celgene on various data and information.

[...***...].

The said reporting obligations will be materialized through the reports to be provided by BeiGene which may include the following, as mutually agreed by the parties:

[...***...]

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

Medical - Marketing Plan

The Medical-Marketing Plan will include elements that consistent with, and contain the same amount of detail as set forth in, the Medical Marketing Plan currently used by Celgene in the Territory and will include the following elements:

[...***...].

* Confidential Information, indicated by [...***...], has been omitted from this filing and filed separately with the U.S. Securities and Exchange Commission.

SCHEDULE F

Sample of Annual Compliance Certification

ANNUAL COMPLIANCE CERTIFICATION

I _____ [name] a duly authorized representative of **[**]** do hereby certify for and on behalf of such company, that neither I nor to my knowledge any other person, including but not limited to every officer, director, stockholder, employee, representative and agent of **[**]** has improperly made, offered to make, or agreed to make any loan, gift, donation or payment, or transfer of any other thing of value directly or indirectly, whether in cash or in kind, to or for the benefit of any entities, persons or class of persons listed below in connection with any business activity of Celgene or any of its wholly or partially owned affiliates.

For purposes of this certification, these entities, persons and classes of persons include private entities, government and public bodies, political parties, party officials, candidates for political office, local councils, judicial officers, public international organizations and their employees, agents and officials.

I hereby confirm that should I learn of any of the prohibited activities described above, or if there are any changes in the ownership or control of [**], I will immediately advise Celgene.

[**]

Date: _____

By: _____

Name: _____

Title: _____

Schedule G
Supply Chain Security Requirements

Celgene has adopted The World Customs Organization (WCO) Framework of Standards to Secure and Facilitate Global Trade (SAFE) standards as the foundation of its supply chain security program. Within this framework Celgene is a participant in the US Customs and Border Protection program, Customs - Trade Partnership Against Terrorism (C-TPAT) and the World Customs Organization, Authorized Economic Operator (AEO) program and a validated member of other global supply chain security programs critical to the safety of our patients.

As a requirement of these programs, Celgene is required to verify the security and integrity of Celgene Materials (as defined through all points of the supply chain including when the materials are handled by Celgene authorized Contract Service Providers (CSP).

BeiGene agrees to use Commercially Reasonable Efforts to comply with the supply chain security requirements set forth by Celgene in this document and shall ensure that any Subcontractors of BeiGene shall also use Commercially Reasonable efforts to comply with such supply chain security requirements below:

Supply Chain Security requirements

- Systems, controls and procedures shall be in place to protect against unauthorized entry into the premises and capable of deterring, detecting and responding to security breaches in a timely manner.

- Established security policies, systems, processes and procedures shall be in place to protect the integrity of the storage and movement of Celgene API, Drug Product, Bulk Product, packaging materials, samples and Finished Product and include the timely reporting of confirmed Inventory Loss.

- Accurate and timely accountability of all materials including API, Drug Product, Bulk Product, Packaging Materials, samples and Finished Product shall be maintained throughout all stages of the procurement, receipt, storage, transfer, manufacturing, packaging, distribution, dispensing and destruction.

- Security controls shall be in place to protect against cargo Theft and the introduction of unauthorized personnel and illicit items duri ng the transportation of Celgene Materials.

Exhibit 10.4

AMENDMENT No. 1
TO
BEIGENE, LTD. 2016 SHARE OPTION AND INCENTIVE PLAN

This Amendment No. 1 (the " Amendment ") to the BeiGene, Ltd. 2016 Share Option and Incentive Plan (the " Plan ") is effective as of the date this Amendment is approved by the Board of Directors of BeiGene, Ltd., a Cayman Islands exempted company incorporated with limited liability (the " Company "), as specified below.

Section 2(c) of the Plan is hereby deleted in its entirety and replaced with the following:

"(c) Delegation of Authority to Grant Awards . Subject to applicable law, the Administrator, in its discretion, may delegate to the chairman of the Compensation Committee of the Board of Directors of the Company all or part of the Administrator's authority and duties with respect to the granting of Awards. Subject to applicable law, the Administrator, in its discretion, may delegate to the Chief Executive Officer and/or Chief Financial Officer of the Company all or part of the Administrator's authority and duties with respect to the granting of Awards to individuals who are not subject to the reporting of Section 16 of the Exchange Act. Any such delegation by the Administrator shall include a limitation as to the number of Shares underlying Awards that may be granted during the period of the delegation and shall contain guidelines as to the determination of the exercise price and the criteria for exercisability or vesting. The Administrator may revoke or amend the terms of a delegation at any time, but such action shall not invalidate any prior actions of the Administrator's delegate or delegates that were consistent with the terms of the Plan."

Except as provided above, the Plan shall remain in full force and effect without modification.

Date approved by the Board of Directors of the Company: September 27, 2017

RESTRICTED SHARE UNIT AWARD AGREEMENT FOR NON-EMPLOYEE DIRECTORS UNDER BEIGENE, LTD. 2016 SHARE OPTION AND INCENTIVE PLAN

Name of Grantee: _____

No. of Restricted Share Units: _____

Grant Date: _____

Pursuant to the BeiGene, Ltd. 2016 Share Option and Incentive Plan as amended through the date of grant (the "Plan"), BeiGene, Ltd., an exempted company incorporated in the Cayman Islands with limited liability, (the "Company") hereby grants an award of the number of Restricted Share Units listed above (an "Award") to the Grantee named above. Each Restricted Share Unit shall relate to one ordinary share, par value US$0.0001 per share (the "Ordinary Shares") of the Company. The Ordinary Shares may be represented by American Depositary Shares ("ADSs"), and each ADS represents 13 Ordinary Shares. References herein to the issuance of Ordinary Shares shall also refer to the issuance of ADSs on the same basis of one ADS for every 13 Ordinary Shares. Capitalized terms in this Restricted Share Unit Award Agreement for Non-Employee Directors (this "Agreement") shall have the meaning specified in the Plan, unless defined differently herein.

1. Restrictions on Transfer of Award . This Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Grantee, and any Ordinary Shares issuable with respect to the Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until (i) the Restricted Share Units have vested as provided in Paragraph 2 of this Agreement and (ii) Ordinary Shares have been issued to the Grantee in accordance with the terms of the Plan and this Agreement.

2. Vesting of Restricted Share Units . The restrictions and conditions of Paragraph 1 of this Agreement shall lapse on the date(s) specified in the following schedule (the "Vesting Date") so long as the Grantee has served continuously as a member of the Board on such dates. If a series of Vesting Dates is specified, then the restrictions and conditions in Paragraph 1 shall lapse only with respect to the number of Restricted Share Units specified as vested on such date.

Incremental Number of Restricted Share Units Vested	Vesting Date
_____ (___%)	_____
_____ (___%)	_____
_____ (___%)	_____
_____ (___%)	_____

In determining the number of vested Restricted Share Units at the time of any vesting, the number of Ordinary Shares shall be rounded down to the nearest whole ADS or the nearest increment of 13 Ordinary Shares.

The Administrator may at any time accelerate the vesting schedule specified in this Paragraph 2.

3. Termination of Service . If the Grantee's service with the Company and its Subsidiaries terminates for any reason (including death or disability) prior to the satisfaction of the vesting conditions set forth in Paragraph 2 above, any Restricted Share Units that have not vested as of such date shall automatically and without notice terminate and be forfeited, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Restricted Share Units.

4. Issuance of Ordinary Shares . As soon as practicable following each Vesting Date (but in no event later than two and one-half (2.5) months after the end of the year in which the Vesting Date occurs), the Company shall issue to the Grantee the number of Ordinary Shares equal to the aggregate number of Restricted Share Units that have vested pursuant to Paragraph 2 of this Agreement on such date and the Grantee shall thereafter have all the rights of a shareholder of the Company with respect to such Ordinary Shares.

5. Incorporation of Plan . Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan.

6. Section 409A of the Code. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the Award are exempt from the requirements of Section 409A of the Code as "short-term deferrals" as described in Section 409A of the Code.

7. No Right to Continue as a Director . Neither the Plan nor this Award confers upon the Grantee any rights with respect to continuance as a member of the Board.

8. Integration . This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

9. Data Privacy Consent . In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and agents of (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the

Relevant Information. Relevant Information will only be used in accordance with applicable law.

10. Notices . Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

BEIGENE, LTD.

By: _____
Name:
Title:

The undersigned hereby agrees to the terms and conditions of the foregoing Agreement. Electronic agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: _____

_____
Grantee's signature

Name:

Grantee's address:

_____

_____

_____

RESTRICTED Share UNIT AWARD AGREEMENT
FOR COMPANY EMPLOYEES
UNDER BeiGene, Ltd.
2016 Share OPTION AND INCENTIVE PLAN

Name of Grantee: _____

No. of Restricted Share Units: _____

Grant Date: _____

Pursuant to the BeiGene, Ltd. 2016 Share Option and Incentive Plan as amended through the date of grant (the "Plan"), BeiGene, Ltd., an exempted company incorporated in the Cayman Islands with limited liability, (the "Company") hereby grants an award of the number of Restricted Share Units listed above (an "Award") to the Grantee named above. Each Restricted Share Unit shall relate to one ordinary share, par value US$0.0001 per share (the "Ordinary Shares") of the Company. The Ordinary Shares may be represented by American Depositary Shares ("ADSs"), and each ADS represents 13 Ordinary Shares. References herein to the issuance of Ordinary Shares shall also refer to the issuance of ADSs on the same basis of one ADS for every 13 Ordinary Shares. Capitalized terms in this Restricted Share Unit Award Agreement for Company Employees (this "Agreement") shall have the meaning specified in the Plan, unless defined differently herein.

1. Restrictions on Transfer of Award . This Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Grantee, and any Ordinary Shares issuable with respect to the Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until (i) the Restricted Share Units have vested as provided in Paragraph 2 of this Agreement and (ii) Ordinary Shares have been issued to the Grantee in accordance with the terms of the Plan and this Agreement.

2. Vesting of Restricted Share Units . The restrictions and conditions of Paragraph 1 of this Agreement shall lapse on the date(s) specified in the following schedule (the "Vesting Date") so long as the Grantee has served continuously as an employee of the Company or a Subsidiary on such dates. If a series of Vesting Dates is specified, then the restrictions and conditions in Paragraph 1 shall lapse only with respect to the number of Restricted Share Units specified as vested on such date.

Incremental Number of Restricted Share Units Vested	Vesting Date
_____ (___%)	_____
_____ (___%)	_____
_____ (___%)	_____
_____ (___%)	_____

In determining the number of vested Restricted Share Units at the time of any vesting, the number of Ordinary Shares shall be rounded down to the nearest whole ADS or the nearest increment of 13 Ordinary Shares.

The Administrator may at any time accelerate the vesting schedule specified in this Paragraph 2.

3. Termination of Employment . If the Grantee's employment with the Company and its Subsidiaries terminates for any reason (including death or disability) prior to the satisfaction of the vesting conditions set forth in Paragraph 2 above, any Restricted Share Units that have not vested as of such date shall automatically and without notice terminate and be forfeited, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Restricted Share Units.

4. Issuance of Ordinary Shares . As soon as practicable following each Vesting Date (but in no event later than two and one-half (2.5) months after the end of the year in which the Vesting Date occurs), the Company shall issue to the Grantee the number of Ordinary Shares equal to the aggregate number of Restricted Share Units that have vested pursuant to Paragraph 2 of this Agreement on such date and the Grantee shall thereafter have all the rights of a shareholder of the Company with respect to such Ordinary Shares.

5. Incorporation of Plan . Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan.

6. Tax Withholding . The Grantee shall, not later than the date as of which the receipt of this Award becomes a taxable event for any applicable income, employment or other tax purposes, pay to the Company or any Subsidiary or make arrangements satisfactory to the Administrator for payment of any taxes required by law to be withheld on account of such taxable event. To satisfy in full such minimum tax withholding obligation, Grantee hereby authorizes the Company to withhold from Ordinary Shares to be issued hereunder that number of Ordinary Shares that would satisfy the minimum required tax withholding amount due and to sell such Ordinary Shares through a broker of the Company's choosing (i.e., "sell to cover"). As of the date hereof, Grantee certifies that (a) he or she is currently unaware of any material, non-public information with respect to the Company, and (b) this Agreement is entered into in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1 of the Securities Exchange Act of 1934, as amended, or any other securities laws. While this Agreement is in effect, Grantee agrees (i) not to enter into or alter any corresponding or hedging transaction or position with respect to the securities covered by this Agreement (including, without limitation, with respect to any securities convertible or exchangeable into Ordinary Shares) and (ii) not to attempt to exercise any influence over how, when or whether to effect the withholding and sale of Ordinary Shares pursuant to this Section 6.

7. Section 409A of the Code. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the Award are exempt from the requirements of Section 409A of the Code as "short-term deferrals" as described in Section 409A of the Code.

8. No Obligation to Continue Employment. Neither the Company nor any Subsidiary is obligated by or as a result of the Plan or this Agreement to continue the Grantee in employment and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Subsidiary to terminate the employment of the Grantee at any time.

9. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

10. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and agents (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

11. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file

with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

BEIGENE, LTD.

By: _____
Name:
Title:

The undersigned hereby agrees to the terms and conditions of the foregoing Agreement. Electronic agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: _____

_____
Grantee's signature

Name:

Grantee's address:

_____

_____

_____

NON-QUALIFIED SHARE OPTION AGREEMENT
FOR NON-EMPLOYEE Consultants
UNDER THE BEIGENE, LTD.
2016 SHARE OPTION AND INCENTIVE PLAN

Name of Optionee: _____

No. of Option Shares: _____ Ordinary Shares (as defined below)

Option Exercise Price per Share: $_____
[IF U.S. Taxpayers, Fair Market Value on Grant Date]

Grant Date: _____

Expiration Date: _____
[No more than 10 years]

Pursuant to the BeiGene, Ltd. 2016 Share Option and Incentive Plan as amended through the date of grant (the "Plan"), BeiGene, Ltd., an exempted company incorporated in the Cayman Islands with limited liability (the "Company"), hereby grants to the Optionee named above, who is a Consultant of the Company, an option (the "Share Option") to purchase on or prior to the Expiration Date specified above all or part of the number of ordinary shares, par value US$0.0001 per share (the "Ordinary Shares"), of the Company specified above at the Option Exercise Price per Share specified above subject to the terms and conditions set forth herein and in the Plan. The Ordinary Shares may be represented by American Depositary Shares ("ADSs"), and each ADS represents 13 Ordinary Shares. References herein to the issuance of Ordinary Shares shall also refer to the issuance of ADSs on the same basis of one ADS for every 13 Ordinary Shares. The Option Exercise Price per ADS shall equal the Option Exercise Price per Share multiplied by 13. Capitalized terms in this Non-Qualified Share Option Agreement for Consultants (this "Agreement") shall have the meaning specified in the Plan, unless defined differently herein.

1. Exercisability Schedule . No portion of this Share Option may be exercised until such portion shall have become exercisable. Except as set forth below, and subject to the discretion of the Administrator (as defined in Section 2 of the Plan) to accelerate the following exercisability schedule, this Share Option shall be exercisable with respect to the following number of Option Shares on the dates indicated so long as the Optionee has continuously provided service to the Company or a Subsidiary as a Consultant on such dates:

Option Shares Exercisable	Exercisability Date
_____ (___ %)	_____
_____ (___ %)	_____
_____ (___ %)	_____
_____ (___ %)	_____
_____ (___ %)	_____

In determining the number of vested Option Shares at the time of any exercise, the number of Option Shares shall be rounded down to the nearest whole ADS or the nearest increment of 13 Ordinary Shares.

Once exercisable, this Share Option shall continue to be exercisable at any time or times prior to the close of business on the Expiration Date, subject to the provisions hereof and of the Plan.

2. Manner of Exercise .

(a) The Optionee may exercise this Share Option only in the following manner: from time to time on or prior to the Expiration Date of this Share Option, the Optionee may give written notice to the Administrator of Optionee's election to purchase some or all of the Option Shares purchasable at the time of such notice. This notice shall specify the number of Option Shares to be purchased.

Payment of the purchase price for the Option Shares may be made by one or more of the following methods: (i) in cash, by certified or bank check or other instrument acceptable to the Administrator; (ii) through the delivery (or attestation to the ownership) of Ordinary Shares that have been purchased by the Optionee on the open market or that are beneficially owned by the Optionee and are not then subject to any restrictions under any Company plan and that otherwise satisfy any holding periods as may be required by the Administrator; (iii) by the Optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the option purchase price, provided that in the event the Optionee chooses to pay the option purchase price as so provided, the Optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator shall prescribe as a condition of such payment procedure; (iv) if permitted by the Administrator, by a "net exercise" arrangement pursuant to which the Company will reduce the number of Ordinary Shares issuable upon exercise by the largest whole number of Ordinary Shares with a Fair Market Value that does not exceed the aggregate exercise price; or (v) a combination of (i), (ii), (iii) and (iv) above. Payment instruments will be received subject to collection.

The transfer to the Optionee on the records of the Company or of the transfer agent of the Option Shares will be contingent upon (i) the Company's receipt from the Optionee of the full purchase price for the Option Shares, as set forth above, (ii) the fulfillment of any other requirements contained herein or in the Plan or in any other agreement or provision of law, and

(iii) the receipt by the Company of any agreement, statement or other evidence that the Company may require to satisfy itself that the issuance of Ordinary Shares to be purchased pursuant to the exercise of Share Options under the Plan and any subsequent resale of the Ordinary Shares will be in compliance with applicable laws and regulations. In the event the Optionee chooses to pay the purchase price by previously-owned Ordinary Shares through the attestation method, the number of Ordinary Shares transferred to the Optionee upon the exercise of the Share Option shall be net of the Ordinary Shares attested to.

(b) The Ordinary Shares purchased upon exercise of this Share Option shall be transferred to the Optionee on the records of the Company or of the transfer agent upon compliance to the satisfaction of the Administrator with all requirements under applicable laws or regulations in connection with such transfer and with the requirements hereof and of the Plan. The determination of the Administrator as to such compliance shall be final and binding on the Optionee. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Ordinary Shares subject to this Share Option unless and until this Share Option shall have been exercised pursuant to the terms hereof, the Company or the transfer agent shall have transferred the Ordinary Shares to the Optionee, and the Optionee's name shall have been entered as the shareholder of record on the books of the Company. Thereupon, the Optionee shall have full voting, dividend and other ownership rights with respect to such Ordinary Shares.

(c) The minimum number of Ordinary Shares with respect to which this Share Option may be exercised at any one time shall be 104 Ordinary Shares and shall be exercised in increments of 13 Ordinary Shares, unless the number of Ordinary Shares with respect to which this Share Option is being exercised is the total number of Ordinary Shares subject to exercise under this Share Option at the time.

(d) Notwithstanding any other provision hereof or of the Plan, no portion of this Share Option shall be exercisable after the Expiration Date.

3. Termination as Consultant . If the Optionee ceases to be a Consultant to the Company or a Subsidiary for any reason, any portion of this Share Option outstanding on such date may be exercised, to the extent exercisable on the date the Optionee ceased to provide services, for a period of three months after the date the Optionee ceased to provide services or until the Expiration Date, if earlier. Any portion of this Share Option that is not exercisable on the date the Optionee ceases to be a Consultant to the Company or a Subsidiary shall terminate immediately and be of no further force or effect.

4. Incorporation of Plan . Notwithstanding anything herein to the contrary, this Share Option shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan.

5. Transferability . This Agreement is personal to the Optionee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution. This Share Option is exercisable, during the Optionee's lifetime, only by the Optionee, and thereafter, only by the Optionee's legal representative or legatee.

6. No Obligation to Continue as a Consultant or Service Provider. Neither the Plan nor this Share Option confers upon the Optionee any rights with respect to continuance as a Consultant or other service provider to the Company or a Subsidiary.

7. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Share Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

8. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and agents (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Optionee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Optionee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Optionee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

9. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Optionee at the address on file

with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

BEIGENE, LTD.

By: _____
Name:
Title:

The undersigned hereby agrees to the terms and conditions of the foregoing Agreement. Electronic agreement pursuant to the Company's instructions to the Optionee (including through an online acceptance process) is acceptable.

Dated: _____ _____
Optionee's Signature

Optionee's name and address:

_____
_____
_____

NON-QUALIFIED Share OPTION AGREEMENT
FOR NON-EMPLOYEE DIRECTORS
UNDER BeiGene, Ltd.
2016 Share OPTION AND INCENTIVE PLAN

Name of Optionee: _____

No. of Option Shares: _____ Ordinary Shares (as defined below)

Option Exercise Price per Share: $_____
[If U.S. Taxpayers, Fair Market Value on Grant Date]

Grant Date: _____

Expiration Date: _____
[No more than 10 years]

Pursuant to the BeiGene, Ltd. 2016 Share Option and Incentive Plan as amended through the date of grant (the "Plan"), BeiGene, Ltd., an exempted company incorporated in the Cayman Islands with limited liability, (the "Company") hereby grants to the Optionee named above, who is a Non-Employee Director (as defined in the Plan), an option (the "Share Option") to purchase on or prior to the Expiration Date specified above all or part of the number of ordinary shares, par value US$0.0001 per share (the "Ordinary Shares"), of the Company specified above at the Option Exercise Price per Share specified above subject to the terms and conditions set forth herein and in the Plan. The Ordinary Shares may be represented by American Depositary Shares ("ADSs"), and each ADS represents 13 Ordinary Shares. References herein to the issuance of Ordinary Shares shall also refer to the issuance of ADSs on the same basis of one ADS for every 13 Ordinary Shares. The Option Exercise Price per ADS shall equal the Option Exercise Price per Share multiplied by 13. Capitalized terms in this Non-Qualified Share Option Agreement for Non-Employee Directors (this "Agreement") shall have the meaning specified in the Plan, unless defined differently herein.

1. Exercisability Schedule. No portion of this Share Option may be exercised until such portion shall have become exercisable. Except as set forth below, and subject to the discretion of the Administrator (as described in Section 2 of the Plan) to accelerate the following exercisability schedule, this Share Option shall be exercisable with respect to the following number of Option Shares on the dates indicated so long as the Optionee has served continuously as a member of the Board on such dates:

Option Shares Exercisable	Exercisability Date
_____ (___%)	_____
_____ (___%)	_____
_____ (___%)	_____
_____ (___%)	_____
_____ (___%)	_____

In determining the number of vested Option Shares at the time of any exercise, the number of Option Shares shall be rounded down to the nearest whole ADS or the nearest increment of 13 Ordinary Shares.

Once exercisable, this Share Option shall continue to be exercisable at any time or times prior to the close of business on the Expiration Date, subject to the provisions hereof and of the Plan.

2. Manner of Exercise .

(a) The Optionee may exercise this Share Option only in the following manner: from time to time on or prior to the Expiration Date of this Share Option, the Optionee may give written notice to the Administrator of Optionee's election to purchase some or all of the Option Shares purchasable at the time of such notice. This notice shall specify the number of Option Shares to be purchased.

Payment of the purchase price for the Option Shares may be made by one or more of the following methods: (i) in cash, by certified or bank check or other instrument acceptable to the Administrator; (ii) through the delivery (or attestation to the ownership) of Ordinary Shares that have been purchased by the Optionee on the open market or that are beneficially owned by the Optionee and are not then subject to any restrictions under any Company plan and that otherwise satisfy any holding periods as may be required by the Administrator; (iii) by the Optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the option purchase price, provided that in the event the Optionee chooses to pay the option purchase price as so provided, the Optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator shall prescribe as a condition of such payment procedure; (iv) if permitted by the Administrator, by a "net exercise" arrangement pursuant to which the Company will reduce the number of Ordinary Shares issuable upon exercise by the largest whole number of Ordinary Shares with a Fair Market Value that does not exceed the aggregate exercise price; or (v) a combination of (i), (ii), (iii) and (iv) above. Payment instruments will be received subject to collection.

The transfer to the Optionee on the records of the Company or of the transfer agent of the Option Shares will be contingent upon (i) the Company's receipt from the Optionee of the full purchase price for the Option Shares, as set forth above, (ii) the fulfillment of any other requirements contained herein or in the Plan or in any other agreement or provision of law, and

(iii) the receipt by the Company of any agreement, statement or other evidence that the Company may require to satisfy itself that the issuance of Ordinary Shares to be purchased pursuant to the exercise of Share Options under the Plan and any subsequent resale of the Ordinary Shares will be in compliance with applicable laws and regulations. In the event the Optionee chooses to pay the purchase price by previously-owned Ordinary Shares through the attestation method, the number of Ordinary Shares transferred to the Optionee upon the exercise of the Share Option shall be net of the Ordinary Shares attested to.

(b) The Ordinary Shares purchased upon exercise of this Share Option shall be transferred to the Optionee on the records of the Company or of the transfer agent upon compliance to the satisfaction of the Administrator with all requirements under applicable laws or regulations in connection with such transfer and with the requirements hereof and of the Plan. The determination of the Administrator as to such compliance shall be final and binding on the Optionee. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Ordinary Shares subject to this Share Option unless and until this Share Option shall have been exercised pursuant to the terms hereof, the Company or the transfer agent shall have transferred the Ordinary Shares to the Optionee, and the Optionee's name shall have been entered as the shareholder of record on the books of the Company. Thereupon, the Optionee shall have full voting, dividend and other ownership rights with respect to such Ordinary Shares.

(c) The minimum number of Ordinary Shares with respect to which this Share Option may be exercised at any one time shall be 104 Ordinary Shares and shall be exercised in increments of 13 Ordinary Shares, unless the number of Ordinary Shares with respect to which this Share Option is being exercised is the total number of Ordinary Shares subject to exercise under this Share Option at the time.

(d) Notwithstanding any other provision hereof or of the Plan, no portion of this Share Option shall be exercisable after the Expiration Date.

3. Termination as Director. If the Optionee ceases to be a Director of the Company, the period within which to exercise the Share Option may be subject to earlier termination as set forth below.

(a) Termination Due to Death. If the Optionee's service as a Director terminates by reason of the Optionee's death, any portion of this Share Option outstanding on such date, to the extent exercisable on the date of death, may be exercised by the Optionee's legal representative or legatee for a period of 12 months after the date of death or until the Expiration Date, if earlier. Any portion of this Share Option that is not exercisable on the date of death shall terminate immediately and be of no further force or effect.

(b) Other Termination. If the Optionee ceases to be a Director for any reason other than the Optionee's death, any portion of this Share Option outstanding on such date may be exercised, to the extent exercisable on the date the Optionee ceased to be a Director, for a period of six months after the date the Optionee ceased to be a Director or until the Expiration Date, if earlier. Any portion of this Share Option that is not exercisable on the date the Optionee ceases to be a Director shall terminate immediately and be of no further force or effect.

4. Incorporation of Plan . Notwithstanding anything herein to the contrary, this Share Option shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan.

5. Transferability . This Agreement is personal to the Optionee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution. This Share Option is exercisable, during the Optionee's lifetime, only by the Optionee, and thereafter, only by the Optionee's legal representative or legatee.

6. No Right to Continue as a Director . Neither the Plan nor this Share Option confers upon the Optionee any rights with respect to continuance as a member of the Board.

7. Integration . This Agreement constitutes the entire agreement between the parties with respect to this Share Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

8. Data Privacy Consent . In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and agents (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Optionee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Optionee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Optionee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

9. Notices . Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Optionee at the address on file

with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

BEIGENE, LTD.

By: _____
Name:
Title:

The undersigned hereby agrees to the terms and conditions of the foregoing Agreement. Electronic agreement pursuant to the Company's instructions to the Optionee (including through an online acceptance process) is acceptable.

Date:_____

_____
Optionee's signature

Name:

Optionee's address:

_____

_____

_____

NON-QUALIFIED SHARE OPTION AGREEMENT
FOR COMPANY EMPLOYEES
UNDER BEIGENE, LTD.
2016 SHARE OPTION AND INCENTIVE PLAN

Name of Optionee: _____

No. of Option Shares: _____ Ordinary Shares (as defined below)

Option Exercise Price per Share: $_____
[If U.S. Taxpayers, Fair Market Value on Grant Date]

Grant Date: _____

Expiration Date: _____
[No more than 10 years]

Pursuant to the BeiGene, Ltd. 2016 Share Option and Incentive Plan as amended through the date of grant (the "Plan"), BeiGene, Ltd., an exempted company incorporated in the Cayman Islands with limited liability, (the "Company") hereby grants to the Optionee named above an option (the "Share Option") to purchase on or prior to the Expiration Date specified above all or part of the number of ordinary shares, par value US$0.0001 per share (the "Ordinary Shares") of the Company specified above at the Option Exercise Price per Share specified above subject to the terms and conditions set forth herein and in the Plan. The Ordinary Shares may be represented by American Depositary Shares ("ADSs"), and each ADS represents 13 Ordinary Shares. References herein to the issuance of Ordinary Shares shall also refer to the issuance of ADSs on the same basis of one ADS for every 13 Ordinary Shares. The Option Exercise Price per ADS shall equal the Option Exercise Price per Share multiplied by 13. This Share Option is not intended to be an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended. Capitalized terms in this Non-Qualified Share Option Agreement for Company Employees (this "Agreement") shall have the meaning specified in the Plan, unless defined differently herein.

1. Exercisability Schedule. No portion of this Share Option may be exercised until such portion shall have become exercisable. Except as set forth below, and subject to the discretion of the Administrator (as described in Section 2 of the Plan) to accelerate the following exercisability schedule, this Share Option shall be exercisable with respect to the following number of Option Shares on the dates indicated so long as Optionee has served continuously as an employee of the Company or a Subsidiary on such dates:

Incremental Number of Option Shares Exercisable	Exercisability Date
_____ (___%)	_____
_____ (___%)	_____
_____ (___%)	_____
_____ (___%)	_____
_____ (___%)	_____

In determining the number of vested Option Shares at the time of any exercise, the number of Option Shares shall be rounded down to the nearest whole ADS or the nearest increment of 13 Ordinary Shares.

Once exercisable, this Share Option shall continue to be exercisable at any time or times prior to the close of business on the Expiration Date, subject to the provisions hereof and of the Plan.

2. Manner of Exercise .

(a) The Optionee may exercise this Share Option only in the following manner: from time to time on or prior to the Expiration Date of this Share Option, the Optionee may give written notice to the Administrator of Optionee's election to purchase some or all of the Option Shares purchasable at the time of such notice. This notice shall specify the number of Option Shares to be purchased.

Payment of the purchase price for the Option Shares may be made by one or more of the following methods: (i) in cash, by certified or bank check or other instrument acceptable to the Administrator; (ii) through the delivery (or attestation to the ownership) of Ordinary Shares that have been purchased by the Optionee on the open market or that are beneficially owned by the Optionee and are not then subject to any restrictions under any Company plan and that otherwise satisfy any holding periods as may be required by the Administrator; (iii) by the Optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the option purchase price, provided that in the event the Optionee chooses to pay the option purchase price as so provided, the Optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator shall prescribe as a condition of such payment procedure; (iv) if permitted by the Administrator, by a "net exercise" arrangement pursuant to which the Company will reduce the number of Ordinary Shares issuable upon exercise by the largest whole number of Ordinary Shares with a Fair Market Value that does not exceed the aggregate exercise price; or (v) a combination of (i), (ii), (iii) and (iv) above. Payment instruments will be received subject to collection.

The transfer to the Optionee on the records of the Company or of the transfer agent of the Option Shares will be contingent upon (i) the Company's receipt from the Optionee of the full purchase price for the Option Shares, as set forth above, (ii) the fulfillment of any other requirements contained herein or in the Plan or in any other agreement or provision of law, and

(iii) the receipt by the Company of any agreement, statement or other evidence that the Company may require to satisfy itself that the issuance of Ordinary Shares to be purchased pursuant to the exercise of Share Options under the Plan and any subsequent resale of the Ordinary Shares will be in compliance with applicable laws and regulations. In the event the Optionee chooses to pay the purchase price by previously-owned Ordinary Shares through the attestation method, the number of Ordinary Shares transferred to the Optionee upon the exercise of the Share Option shall be net of the Ordinary Shares attested to.

(b) The Ordinary Shares purchased upon exercise of this Share Option shall be transferred to the Optionee on the records of the Company or of the transfer agent upon compliance to the satisfaction of the Administrator with all requirements under applicable laws or regulations in connection with such transfer and with the requirements hereof and of the Plan. The determination of the Administrator as to such compliance shall be final and binding on the Optionee. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Ordinary Shares subject to this Share Option unless and until this Share Option shall have been exercised pursuant to the terms hereof, the Company or the transfer agent shall have transferred the Ordinary Shares to the Optionee, and the Optionee's name shall have been entered as the shareholder of record on the books of the Company. Thereupon, the Optionee shall have full voting, dividend and other ownership rights with respect to such Ordinary Shares.

(c) The minimum number of Ordinary Shares with respect to which this Share Option may be exercised at any one time shall be 104 Ordinary Shares and shall be exercised in increments of 13 Ordinary Shares, unless the number of Ordinary Shares with respect to which this Share Option is being exercised is the total number of Ordinary Shares subject to exercise under this Share Option at the time.

(d) Notwithstanding any other provision hereof or of the Plan, no portion of this Share Option shall be exercisable after the Expiration Date.

3. Termination of Employment . If the Optionee's employment by the Company or a Subsidiary is terminated, the period within which to exercise the Share Option may be subject to earlier termination as set forth below.

(a) Termination Due to Death . If the Optionee's employment terminates by reason of the Optionee's death, any portion of this Share Option outstanding on such date, to the extent exercisable on the date of death, may be exercised by the Optionee's legal representative or legatee for a period of 12 months after the date of death or until the Expiration Date, if earlier. Any portion of this Share Option that is not exercisable on the date of death shall terminate immediately and be of no further force or effect.

(b) Termination Due to Disability . If the Optionee's employment terminates by reason of the Optionee's disability (as determined by the Administrator), any portion of this Share Option outstanding on such date, to the extent exercisable on the date of such termination of employment, may be exercised by the Optionee for a period of 12 months after the date of disability or until the Expiration Date, if earlier. Any portion of this Share Option that is not

exercisable on the date of disability shall terminate immediately and be of no further force or effect.

(c) Termination for Cause. If the Optionee's employment terminates for Cause, any portion of this Share Option outstanding on such date shall terminate immediately and be of no further force and effect. For purposes hereof, "Cause" shall mean, unless otherwise provided in an employment agreement between the Company and the Optionee, a determination by the Administrator that the Optionee shall be dismissed as a result of (i) any material breach by the Optionee of any agreement between the Optionee and the Company; (ii) the conviction of, indictment for or plea of nolo contendere by the Optionee to a felony or a crime involving moral turpitude; or (iii) any material misconduct or willful and deliberate non-performance (other than by reason of disability) by the Optionee of the Optionee's duties to the Company.

(d) Other Termination. If the Optionee's employment terminates for any reason other than the Optionee's death, the Optionee's disability or Cause, and unless otherwise determined by the Administrator, any portion of this Share Option outstanding on such date may be exercised, to the extent exercisable on the date of termination, for a period of three months after the date of termination or until the Expiration Date, if earlier. Any portion of this Share Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

The Administrator's determination of the reason for termination of the Optionee's employment shall be conclusive and binding on the Optionee and Optionee's representatives or legatees.

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Share Option shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan.

5. Transferability. This Agreement is personal to the Optionee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution. This Share Option is exercisable, during the Optionee's lifetime, only by the Optionee, and thereafter, only by the Optionee's legal representative or legatee.

6. Tax Withholding. The Optionee shall, not later than the date as of which the exercise of this Share Option becomes a taxable event for any applicable income, employment or other tax purposes, pay to the Company or any Subsidiary or make arrangements satisfactory to the Administrator for payment of any taxes required by law to be withheld on account of such taxable event. The Company shall have the authority to cause the minimum required tax withholding obligation to be satisfied, in whole or in part, by withholding from Ordinary Shares to be issued to the Optionee a number of Ordinary Shares with an aggregate Fair Market Value that would satisfy the minimum withholding amount due.

7. No Obligation to Continue Employment. Neither the Company nor any Subsidiary is obligated by or as a result of the Plan or this Agreement to continue the Optionee in

employment and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Subsidiary to terminate the employment of the Optionee at any time.

8. Integration . This Agreement constitutes the entire agreement between the parties with respect to this Share Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

9. Data Privacy Consent . In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and agents (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Optionee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Optionee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Optionee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

10. Notices . Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Optionee at the address on file

with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

BEIGENE, LTD.

By: _____
Name:
Title:

The undersigned hereby agrees to the terms and conditions of the foregoing Agreement. Electronic agreement pursuant to the Company's instructions to the Optionee (including through an online acceptance process) is acceptable.

Date: _____

_____
Optionee's signature

Name:

Optionee's address:

_____

_____

_____

Exhibit 31.1

CERTIFICATIONS

I, John V. Oyler, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of BeiGene, Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2017

/s/ John V. Oyler
John V. Oyler
Chief Executive Officer and Chairman
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Howard Liang, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of BeiGene, Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting .

Date: November 13, 2017

/s/ Howard Liang
Howard Liang
Chief Financial Officer and Chief Strategy Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of BeiGene, Ltd., an exempted company incorporated in the Cayman Islands with limited liability (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the three months ended September 30, 2017 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 13, 2017

By: /s/ John V. Oyler
John V. Oyler
Chief Executive Officer and Chairman
(Principal Executive Officer)

Date: November 13, 2017

By: /s/ Howard Liang
Howard Liang
Chief Financial Officer and Chief Strategy Officer
(Principal Financial and Accounting Officer)