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Celsion Corporation and Zhejiang Hisun Pharmaceutical Company Sign Technology Transfer, Manufacturing and Commercial Supply Agreement for the Development of its GEN-1 Immuno-Oncology Therapy

Expanded Partnership Provides Capacity and Cost Structure Supporting Celsion's Global Commercial Strategy for GEN-1

LAWRENCEVILLE, N.J., Aug. 09, 2016 (GLOBE NEWSWIRE) -- Celsion Corporation (NASDAQ:CLSN), a leading oncology drug development company, announced today that it has signed a long-term Technology Transfer, Manufacturing and Commercial Supply Agreement (the "Agreement") with Zhejiang Hisun Pharmaceutical Co. Ltd. (SSE Code:600267), a leading pharmaceutical company in China, to pursue an expanded partnership for the technology transfer relating to the clinical and commercial manufacture and supply of GEN-1, Celsion's proprietary gene mediated, IL-12 immunotherapy, for the greater China territory, with the option to expand into other countries in the rest of the world after all necessary regulatory approvals are in effect. GEN-1 is currently being evaluated by Celsion in first line ovarian cancer patients.

The Agreement will help to support supply for both ongoing and planned clinical studies in the United States, and for potential future studies of GEN-1 in China. Hisun is one of the largest manufacturers of oncology agents globally, including ThermoDox®, Celsion's heated activated liposomal dosage form of doxorubicin, and is also a leading manufacturer for multinational pharmaceutical companies.

"Hisun has already proven itself to be an exceptional partner through our existing ThermoDox® collaboration, and has been the source of high quality, cost-effective manufacturing. We are delighted to have the opportunity to expand our relationship, and to further harness their state-of-the-art manufacturing expertise and facilities through this newly established GEN-1 Agreement," said Michael H. Tardugno, Celsion's Chairman, President and Chief Executive Officer. "Our partnership with Hisun serves multiple strategic purposes towards successful GEN-1 approval and eventual product launch both in China and internationally. Hisun's expertise may provide an advantage when seeking China Food and Drug Administration (CFDA) approval, as well as securing a long-term supply for one of the largest markets for ThermoDox® in the world."

Key provisions of the partnership are as follows:

- The Agreement has targeted unit costs for clinical supplies of GEN-1 that are substantially competitive with the Company's current suppliers;
- Once approved, the cost structure for GEN-1 will support rapid market adoption and significant gross margins across global markets;
- Celsion will provide Hisun a percentage certain of China's commercial unit demand, and separately of global commercial unit demand, subject to regulatory approval;
- Hisun and Celsion will commence technology transfer activities relating to the manufacture of GEN-1, including all studies required by CFDA for site approval; and
- Hisun will collaborate with Celsion around the regulatory approval activities for GEN-1 with the CFDA. A local China partner affords Celsion access to accelerated CFDA review and potential regulatory exclusivity for the approved indication.

Mr. Hua Bai, CEO and Chairman of Hisun, stated "It is a pleasure to continue our relationship with Celsion, and we are delighted to be their partner of choice as they continue forward with the development of GEN-1, which may hold the potential to address a significant public health issue not only in China, but globally. We look forward to formalizing this long-term commercial supply agreement, and to continuing our transition from a traditional generics business to a branded global oncology franchise. With the wide prevalence of cancers in China, Hisun is well-positioned to aid in Celsion's global effort to develop this important immuno-oncology therapeutic for this vast territory."

In June 2012, Celsion and Hisun signed a long-term commercial supply agreement for the production of ThermoDox®, Celsion's proprietary heat-activated liposomal encapsulation of doxorubicin. Hisun is one the largest manufacturers of chemotherapy agents globally, including doxorubicin. In July 2013, the ThermoDox® collaboration was expanded to focus on next generation liposomal formulation development with the goal of creating safer, more efficacious versions of marketed

cancer chemotherapeutics. During 2015, Hisun successfully completed the manufacture of three registration batches for ThermoDox® and has obtained regulatory approvals to supply ThermoDox® to participating clinical trial sites in all of the countries of Southeast Asia, Europe and North America, as well as to the European Union countries allowing for early access to ThermoDox®. The future manufacturing of clinical and commercial supplies by Hisun will result in a cost structure allowing Celsion to profitably access all global markets, including third world countries, and help accelerate the Company's product development program in China for ThermoDox® in primary liver cancer and other indications.

About GEN-1 Immunotherapy

GEN-1 is a development stage immunotherapeutic. It is currently being evaluated as a first line treatment in combination with chemotherapy in a Phase I study of newly diagnosed ovarian cancer patients. GEN-1 is designed using the TheraPlas™ platform technology, is an IL-12 DNA plasmid vector encased in a nanoparticle delivery system which enables cell transfection followed by persistent, local secretion of the IL-12 protein. IL-12 is one of the most active cytokines for the induction of potent anti-cancer immunity acting through the induction of T-lymphocyte and natural killer (NK) cell proliferation. The Company has previously reported positive safety and encouraging Phase I results in previous trials of GEN-1 given as monotherapy in patients with peritoneally metastasized ovarian cancer and in combination with PEGylated doxorubicin in patients with platinum resistant ovarian cancer. The application of GEN-1 in ovarian cancer provides for a unique approach using immunotherapy for this indication.

About Celsion Corporation

Celsion is a fully-integrated oncology company focused on developing a portfolio of innovative cancer treatments, including directed chemotherapies, immunotherapies and RNA- or DNA-based therapies. The Company's lead program is ThermoDox®, a proprietary heat-activated liposomal encapsulation of doxorubicin, currently in Phase III development for the treatment of primary liver cancer and in Phase II development for the treatment of recurrent chest wall breast cancer. The pipeline also includes GEN-1, a DNA-based immunotherapy for the localized treatment of ovarian and brain cancers. Celsion has two platform technologies for the development of novel nucleic acid-based immunotherapies and other anti-cancer DNA or RNA therapies, including TheraPlas™ and TheraSilence™. For more information on Celsion, visit our website: http://www.celsion.com. (TheraPlas/GEN-1, OVATION Study/Ovarian Cancer)

About Zhejiang Hisun Pharmaceutical Company Ltd.

Founded in 1956, the mission for Zhejiang Hisun Pharmaceuticals Co., Ltd. (stock code 600267) hereinafter called "Hisun" is to be persistent in pharmaceutical innovation for humans' well-being. Hisun's vision is to become a widely respected global pharmaceutical provider. It focuses on the integration of pharmaceutical research and development (R&D) with production resources in order to provide its global customers with outstanding products and services. To date, over 40 of the company's products have passed certification by many regulatory agencies such as the FDA (U.S.), EDQM (EU), TGA (Australia) , and KFDA (Korea) and are sold to more than 30 countries worldwide.

Celsion wishes to inform readers that forward-looking statements in this release are made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned that such forward-looking statements involve risks and uncertainties including, without limitation, unforeseen changes in the course of research and development activities and in clinical trials; the significant expense, time, and risk of failure of conducting clinical trials; HEAT Study data is subject to further verification and review by the HEAT Study Data Management Committee; the need for Celsion to evaluate its future development plans; termination of the Technology Development Contract or collaboration between Celsion and HISUN at any time; possible acquisitions or licenses of other technologies, assets or businesses or the possible failure to make such acquisitions or licenses; possible actions by customers, suppliers, competitors, regulatory authorities; and other risks detailed from time to time in the Celsion's periodic reports and prospectuses filed with the Securities and Exchange Commission. Celsion assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events, new information or otherwise.

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