三生制药
3SBIO INC.

2021 Annual Results Presentation

March 28, 2022

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Agenda

01 2021 Highlights

02 Business Overview

03 R&D

04 Financial Review

05 Q&A

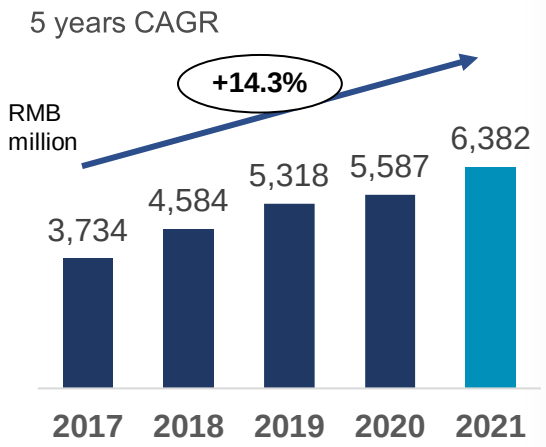
01 2021 Highlights

Chairman, Director & CEO
Dr. Jing LOU

2021 Financial Highlights

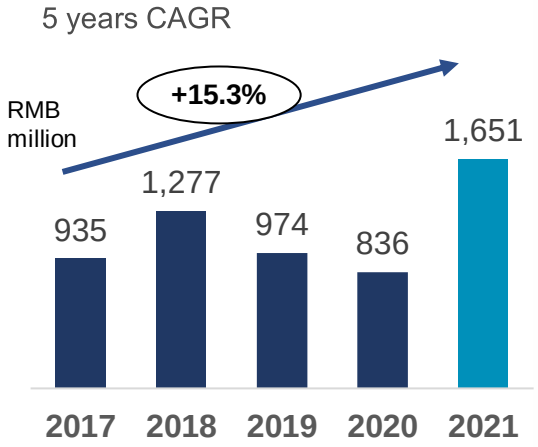
Revenue

6382 million，YOY+ **14.2%**



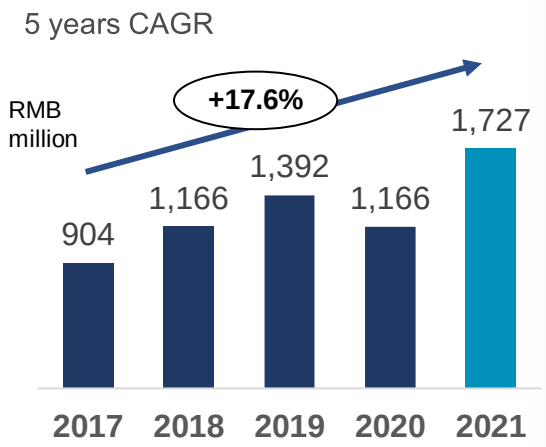
NI Attributable to Parent

1651 million，YOY+ **97.6%**



Norm NI Attributable to Parent

1727 million，YOY+ **48.1%**



Earnings Per Share

0.80 HKD，YOY+ **97.1%**

2021 Highlights

Biopharmaceuticals

- Core products sales **kept sustainable growth**
- **TPIAO** sales increased **12%** to RMB **3.1 billion**
- **rhEPO** sales increased **15%** to RMB **1.1 billion**
- **Yisaipu** sales rebound with **28%** to RMB **789** million
- **51st** of 100 leaders in pharmaceutical industry 2020, leaped 5 positions

Hair Healthcare

- **Mandi** sales jumped **64%** to RMB **602 million,** All Hair varieties leaped by **61%**
- Mandi **tops** the sales list of **OTC drugs in Alibaba Health pharmacy** and **JD skin-care dept** during “618”, “Double 11” shopping frenzy
- Online pharmacy license acquired, **Mandi Hair Growth Pharmacy** is in business
- Formed strategic cooperation with **Yonghe Hair Transplant**
- **Minoxidil Foam** Phase III succeeded, NDA to NMPA was accepted for review

R&D

- **3 products NDA accepted for review:** MN709 (Minoxidil Foam); Remitch (Narfuraphine Hydrochloride Orally Disintegrating Tablets); Yisaipu pre-filled aqueous injection solution (301S);
- **2 Phase III progress**: TPIAO (pediatric ITP); Long-acting EPO (SSS06)
- **8 Phase II progresses :** Long-acting EPO (RD-01); anti-IL-17 Ab (608); anti-IL-5 Ab (601); anti-VEGF Ab (601A); anti-EGFR mAb(602); anti-Her-2 Ab (302H) etc.

International Cooperation:

- **PD-1:** The global development and commercialization right of 609A for its Syncrovax™ (specific therapy) were authorized to Syncromune Inc. 3Sbio has received an upfront payment and may receive future regulatory and sales, hundreds of millions dollars in total

CDMO

- **111 million** revenue from CDMO services, year-on-year domestic revenue shot up
- Platform **“SIGO Shanghai”** launched**, Shanghai Zhangjiang plant** undertook a number of R&D projects for domestic and international biotechnology companies
- **Shenyang Desen** completed all civil construction and part of mechanical and electrical construction for production line of 19.9K liters biopharmaceuticals capacity
- **Guangdong (Songshan lake plant)** 100 million pieces bulk capacity (including pre-filled aqueous injection solution and ampoules installed and debugged; 800 million pieces/year mRNA projects and plasmid production completed construction and design

02 Business Overview

Chairman, Director & CEO
Dr. Jing LOU

Business Ⅰ: Biopharmaceuticals

Core Products Sustained Steady Growth

TPIAO
Recombinant Human Thrompoietin

rhEPO
Recombinant Human Erythropoietin

Yisaipu
Recombinant Human TNF-α Receptor Ⅱ:IgG Fc Fusion Protein for Injection

Other Biopharmaceuticals
Including Ciptertim (Inetetamab Anti-Her2 mAb Injection) and Recombinant Humanized Anti-CD25 mAb Injection

Core biopharmaceuticals revenue grew to 5.1 billion,

accounting for 80% of sales
YoY+ 16%, Resulting from:

- The continuous replacement with TPIAO and the improvement of penetration;
- rhEPO rose multi-dimensionally;
- Yisaipu revenue rebound to surge attribute to price reduction offset by enlarged quantity;
- New products kept increasing quantity etc.

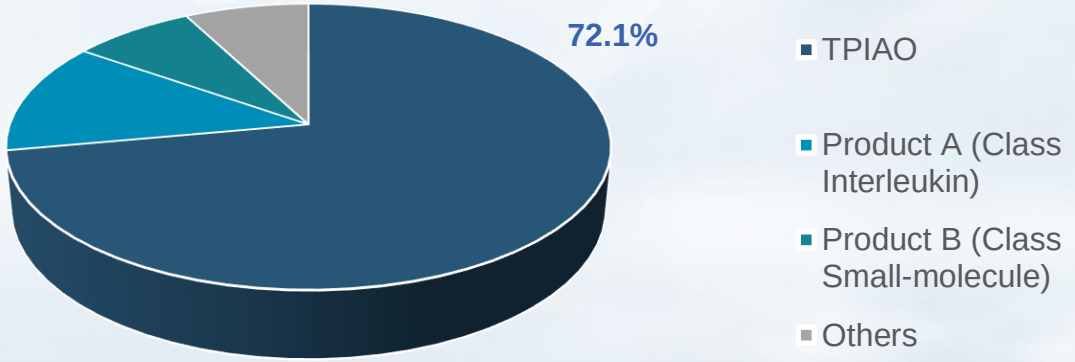
TPIAO- Exclusive Commercialized rhTPO Product

Revenue of TPIAO, 2021

RMB million

1 **Top 1 market share**

72.1% [1] market share in terms of sales, still tops the first position in rhTPO products



1.Data source： IQVIA Jan-Dec, 2021， Total market volume includes TPO, interleukin-11 and Eltrombopag

TPIAO- Competitive Edge

1 Exclusive Product & Primary Treatments

Exclusive commercialized rhTPO worldwide. Primary treatment recommended by four types [1] of guideline on the Diagnosis of Adult Primary Immune Thrombocytopenia

Indication	TPO	Interleukin-11	Eltrom-bopag	Avatrom-bopag	Herom-bopag
Immune Thrombocytopenia (ITP)	●	●	●		●
Chemotherapy-induced Thrombocytopenia (CIT)	●	●			
Pediatric ITP	Phase III				
Liver Transplantation Thrombocytopenia (CLDT)	Phase II			●	

Safety and Efficacy Shows Remarkable Clinical Advantages

01

Full-humanized Structure

rhTPO is expressed correctly and modified completely among mammalian cell, very similar to natural TPO and has low immunogenicity

02

Exclusive CIT Indication

Satisfy millions of CIT patients

03

Clinically Fast-acting

Satisfy inpatients' needs of faster platelet recovery and fewer side effects

04

Sufficient Capacity

Sufficient formulation and bulk capacity supports volume blossom

1. "Consensus on clinical diagnosis, treatment and prevention management of lymphoma chemotherapy induced thrombocytopenia in China" recommended treatment
"Expert consensus for diagnosis and treatment of thrombocytopenia in China" listed TPO as primary treatment medicine
"Expert consensus for diagnosis and treatment of thrombocytopenia in adult critical illness in China" recommend for treatment of bone marrow suppression thrombocytopenia
"Principles for treatment of pediatric Idiopathic Thrombocytopenic Purpura" recommend for emergency medicine for child ITP

TPIAO- Distinct Space for Stable Growth

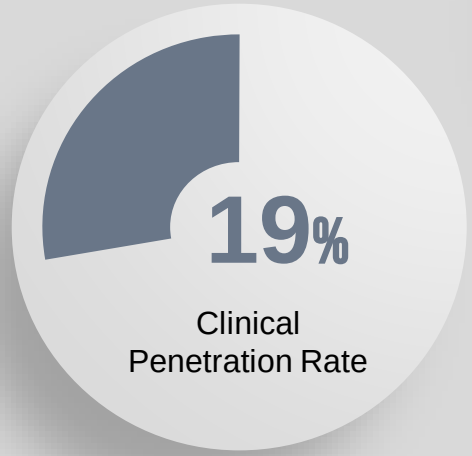
31%

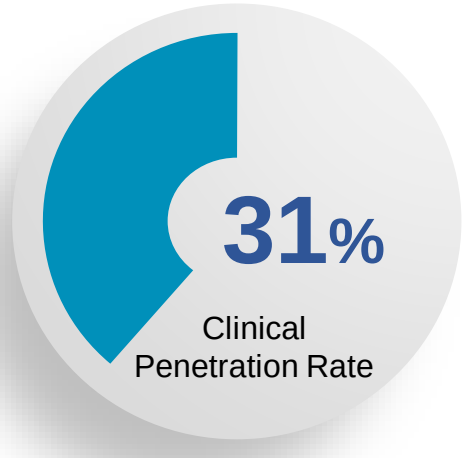
Replacement and Penetration of Current Therapy

The continued increase in the number of hospitals covered, the penetration rates improved to 31% and still could continually supplant traditional IL platelet-raising drugs

2018

- the number of hospitals covered <2000

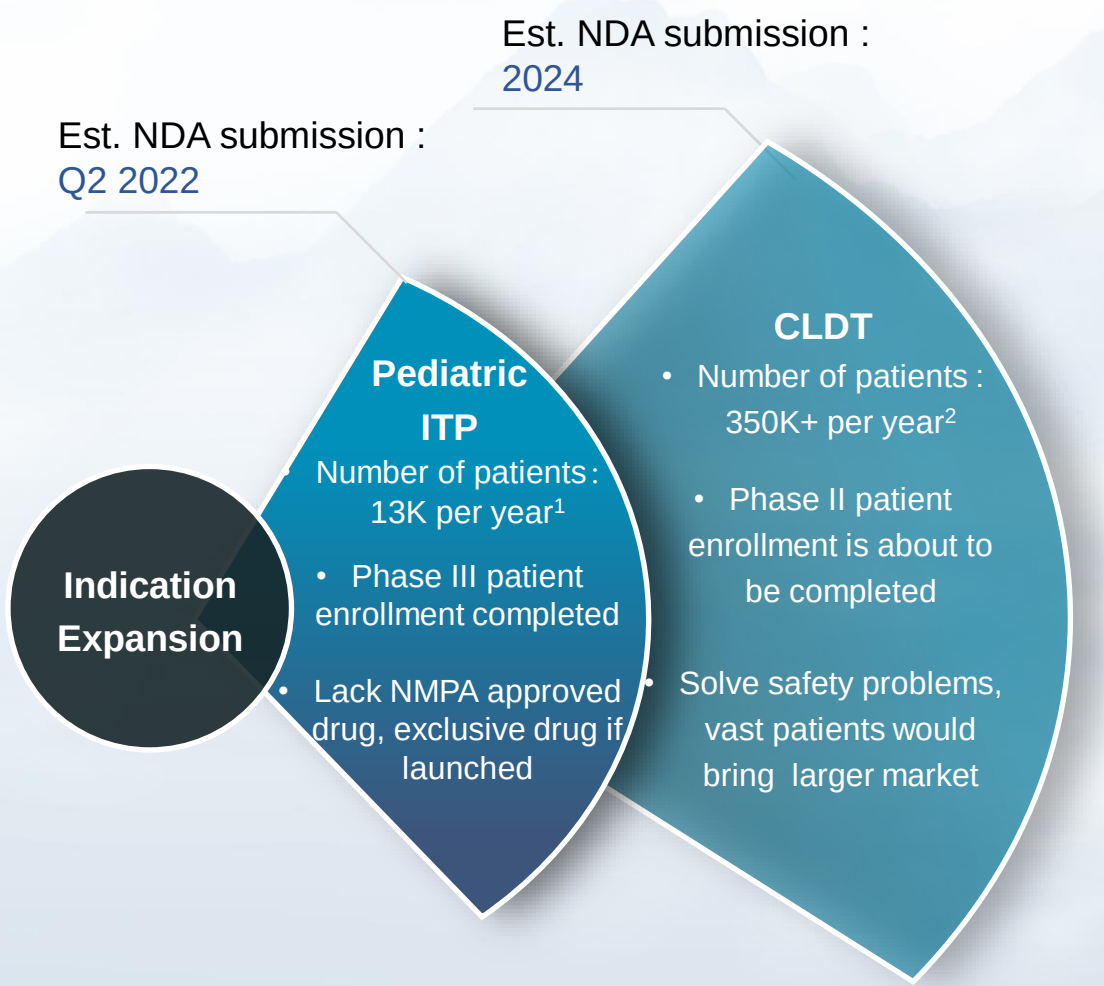




- the number of hospitals covered >4000

2021

Anticipated Indication Expansion



1.Data source: pediatric ITP treatment guidelines
2.Data source: the liver cirrhosis patients whose platelet measured value reduces less than 50K, and need to receive invasive operations

rhEPO- EPIAO & SEPO

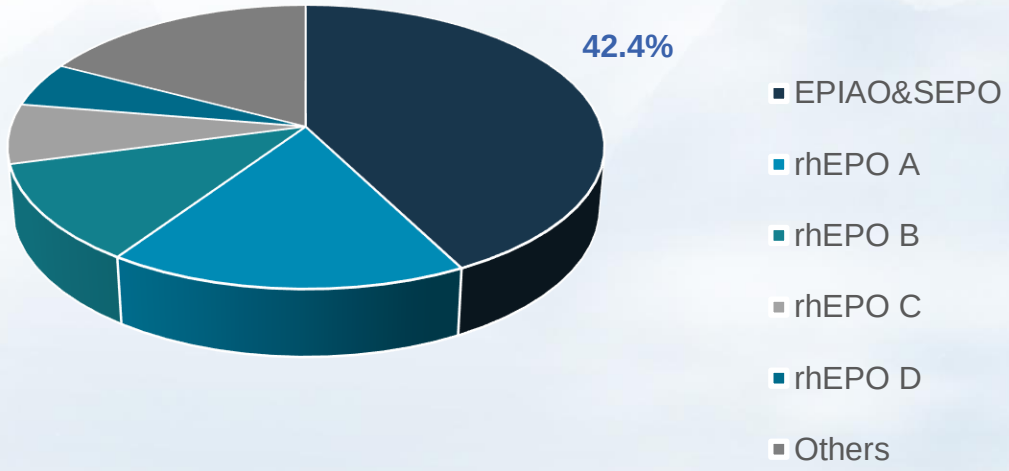
Revenue of rhEPO , 2021

RMB million

1

TOP 1 Market share

Two brands dominate **42.4%** market share, preside Top 1 [1] position in terms of EPO market share



1. EPIAO & SEPO dominated 31% & 12% market share respectively, dual brands market share soared 41% yoy

rhEPO- Prospects

36%

Penetration rate

800K+ patients,
10% annual rate of growth

10%

Treatment rate

4 million+ CIA patients,
Extremely low treatment rate of anemia

40%

Growth rate

Sales in low-tier market increased rapidly

CKD Standards Enhanced

- Number of end-stage CKD patients reaches 3.5 million[1], 70% of dialysis patients suffer from anemia, while treatment rate < 40%
- 2021, NHC enhanced QC standards of renal anemia hemoglobin to 110g/L[2], then medication demands surged

CIA Broke Growth Bottleneck

- Number of Chemotherapy-Induce Anemia (CIA) patients reaches 2-3 million, while treatment rate <10%
- 2019, CIA was insured in healthcare, CIA became new growth point

Low-tier Penetration Accumulated

- NEDL stimulated low-tier medical institutions' adequate medication willingness
- EPIAO & SEPO cover 3 specifications in NEDL[3]
- Low-tier market growth rate achieved ~40%

1.Data source: CNRDS 2020
2.NHC " 2021 Document for Improvement of Quality Control ([2021] no.51) "
3.Data source:on the 2018 National Essential Drug List, rhEPO covers 2000IU, 3000IU and 10000IU

Yisaipu – Earliest Commercialized TNF-α Inhibitor

Revenue rebound to surge attribute to price reduction offset by enlarged quantity

Q4 2020 initiated **50% price cut**

2021 sales 789 m [1]

28% increase yoy

2021 **YoY+90%** Volume Increase

Competitive edge: patients benefited domestic product

1st

First Commercialized

- 8 years in R&D, in 2005, Yisaipu became the **First** TNF-α inhibitor commercialized in China, filling the blank for arthritis treatment, approved **5** years earlier than brand drug

Effective & Secure

- Low-immunogenicity, low incidence of tuberculosis, liver disease, severe bacterial infection. **16** years clinical experience proved efficacy and safety

Cured Patients

- Professional education & practice revamped treatment of arthritis, cured **100K** of patients on a yearly basis

Prospects: Expand to lower-tier market

List of Essential Drugs
promoting Yisaipu being listed

Medical Institutions
3700 plus medical institutions

Low-tier Market
2021 expanded to **670** counties, **900** plus county-level hospital

Biologics Consumption
8.3% of penetration **50.7%** less than developed nations

1. Yisaipu domestic revenue

Remitch- Exclusive Drug Targeting Hemodialysis Pruritus Patients

First-line Drugs for Liver& Kidney Disease Pruritus in Japan Guidelines

Current Indications of Remitch in Japan

- Uremic pruritus (UP) -2009
- Chronic Liver Disease Pruritus(CLD-aP) -2015
- Peritoneal dialysis Pruritus -2017

2018 Introduc-ed in

2019 IND approved

2021 Bridging succeed

2022 NDA submitted

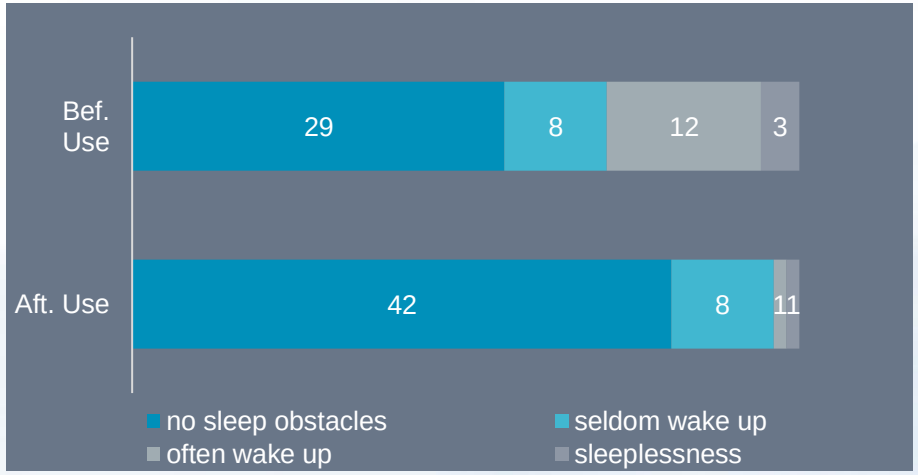
- 2018, Cooperation between Sunshine & Toray provides exclusive commercialized license in Mainland China

Clinical trial confirms that Remitch:

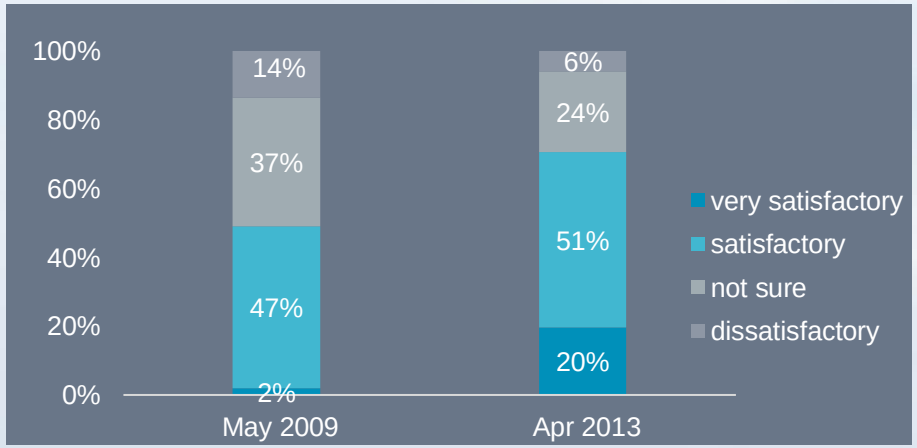
- 80% efficacy to relieve acutely severe skin itching;
- No addiction, 80% of patients no more suffered from sleep obstacles

- The first drug in Mainland China targeting hemodialysis pruritus with an expected early market launch

80% of patients had no sleep disorders after usage



71% Treatment satisfaction[1] after usage



1: Satisfaction refers to the number of satisfied and very satisfied patients

Remitch- Prospects

Focus on Millions of Nephrology Patients' Clinical Demands

Indications in Domestic Potential Market:

Hemodialysis
Growth rate / year >10%
800K

Moderate & severe level of skin itching
Antihistamines & hormones hard to alleviate itch
280K

Liver& Kidney Disease Pruritus
Include liver cirrhosis, PD etc.
~10million

Concomitant moderate & severe pruritus
No effective treatment
>1million

No Effective Drug for Pruritus Patients in Mainland China:

Irregular diagnosis and treat 01
Lack treatment guidelines, patient do not test, diagnose, treat correctly

Poor curative effect 02
Current treatment for pruritus do not consistent and adequate

Blank indications 03
No NMPA approved treatment, current drugs are used for off-label indications

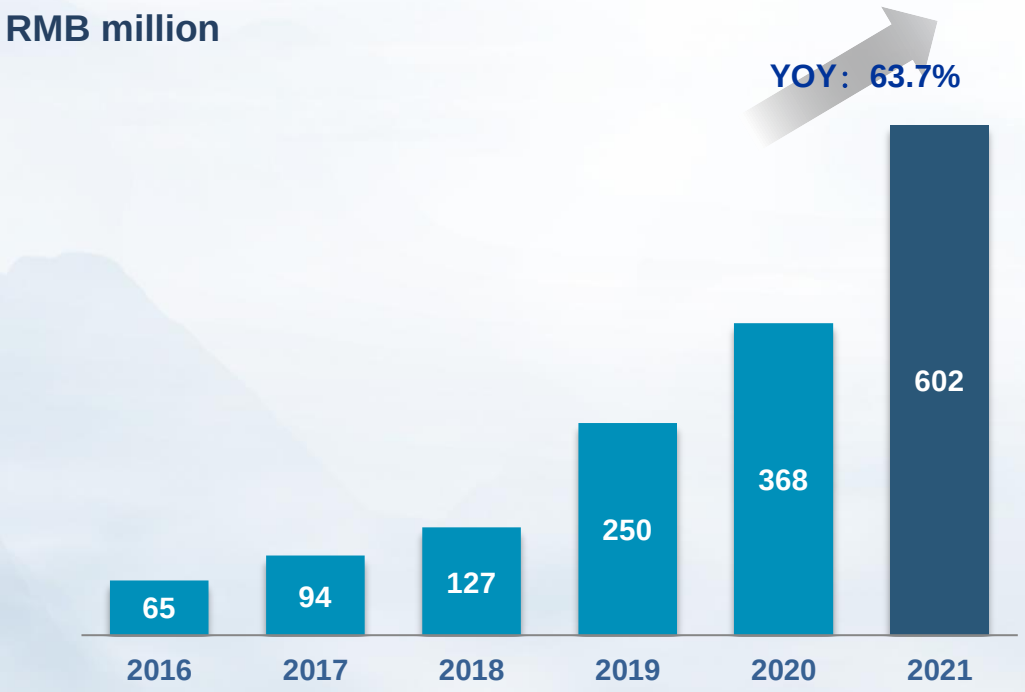
Large side effects 04
Itch lead to drug abuse, co-infection, cardiovascular events etc.; addicted to opioid

Low quality of survival 05
60% patients get sleep disorders; the possibility of depression doubled; death rates rise by 24%

Business Ⅱ: Hair Healthcare

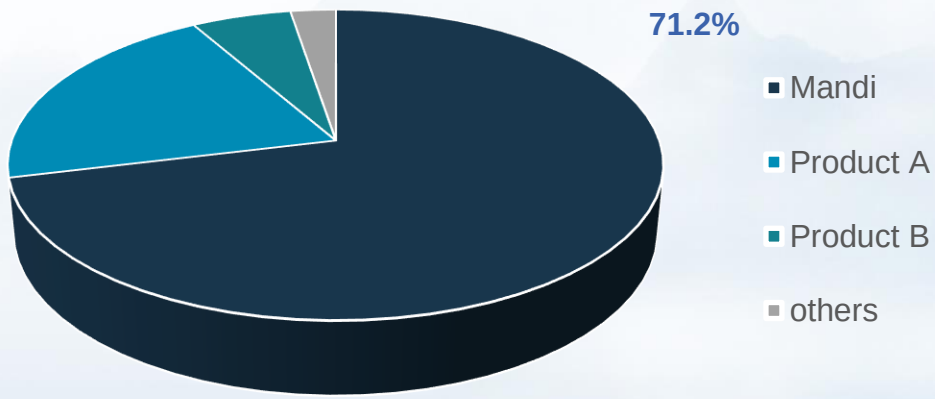
Mandi – Effective & Reliable Hair Growth Product

2021, Revenue of Mandi



1 **Top 1 Market Share**

71.2% Market Share, secured top 1 minoxidil [1]



Ecommerce Platform	Field	Rank	"Double 11 Shopping Frenzy" Sales Achievement
天猫 Alibaba	OTC	1	Sales frontrunner OTC Pharmaceutical dept
京东 JD	OTC	5	5th JD "Double 11 Shopping Frenzy" OTC
JDH京东健康 JD live room	Pharmacy	1	Champion of JD Pharmacy "Double 11" live room

1. Market share data source: CPA

Mandi – 3 Channels Propel Sales Increase

Hospital Wholesale

Revenue Increase:

~35%YOY

~20% of Revenue

200 plus Personnel

2000 Hospitals; **700** Hair Loss Clinics

Strategic Collaboration with **Yonghe Hair Transplant**

Retail Pharmacy

Revenue Increase:

~150%YOY

~23% of Revenue

100 plus Personnel

65K Pharmacy, Strategic Collaboration with **Top Chains**

Online Pharmacy License

Penetration >10%

Ecommerce Platform

Revenue Increase:

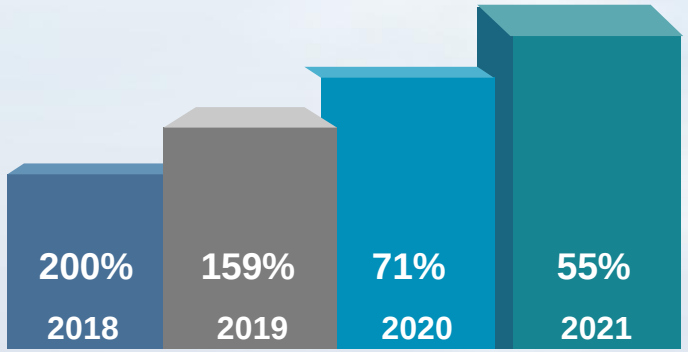
~55%YOY

~57% of Revenue

Reached **20 million** plus people/year, **2 million** plus customers/year

New customer rate **~70%**

Female customer rate climbed continually

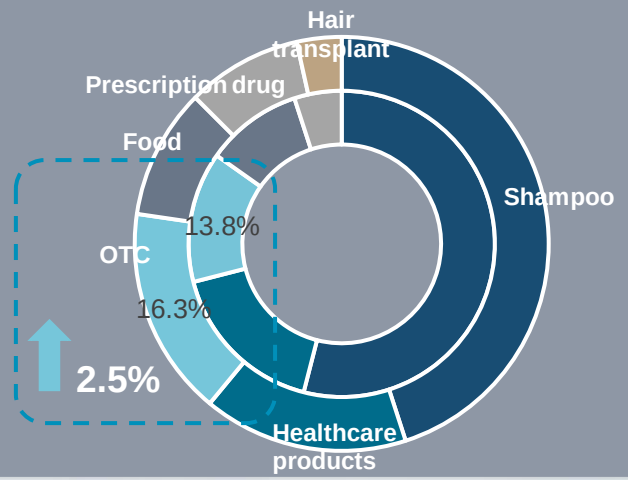


Mandi – Competitive edge

Minoxidil- Only Scientific EffectiveTopical OTC Drug

- Receives the highest endorsement level in the “Guideline for Diagnosis and Treatment of Androgenetic Alopecia in terms of its safety and effects
- Younger consumers rationalize the purchase

Changes on Market Shares of Hair Loss Products



01 More **scientific and effective** VS healthcare products

02 More **safe and economical** VS hair transplant

03 For **male and female different level** of alopecia

04 Included in **hair transplant treatment,** become a crucial procedure

1. Source: drug instructions

Mandi- Excellent Quality

- Three times process optimization, BPS patent， stability for room temperature storage of Minoxidil, suit pH value on scalp
- Manufacturing with BOSCH production line ensures automatic filling , non-contact operation
- Domestic exclusive foam agent, formulation upgraded, more suitable to the sensitives

Domestic on Sale Minoxidil Comparison

Brand	Certificate	OTC License	Storage[1]
Mandi	Y	Y	Room Temperature
Brand A	N	Y	20-25℃ In exposure
Brand B	Y	N	Room Temperature
Brand C	Y	Y	<20 ℃

Mandi- Prosects

Hair Matrix Gradually Formed

Enrich hair related products, enhance convenience and user stickiness; extend to basics for broader population coverage

Vast Market Size

Huge potential of 10 billion market

- **Customer Base**: 3 million
- **Desired Customer Base**: 10% penetration 25 million
- **Volume Per Capita**: Approx. 2
- **Desired Volume Per Capita**: Standard session 6/half a year

Patients	250million							
Penetration	0.4%	1%	2%	3%	4%	5%	10%	15%
price \ population	100	250	500	750	1000	1250	2500	3750
1500	15	38	75	113	150	188	375	563
1000	10	25	50	75	100	125	250	375
600	6	15	30	45	60	75	150	225
300	3	8	15	23	30	38	75	113
100	1	3	5	8	10	13	25	38

Business III: CDMO

CDMO- Global One-stop Service Supported Platform

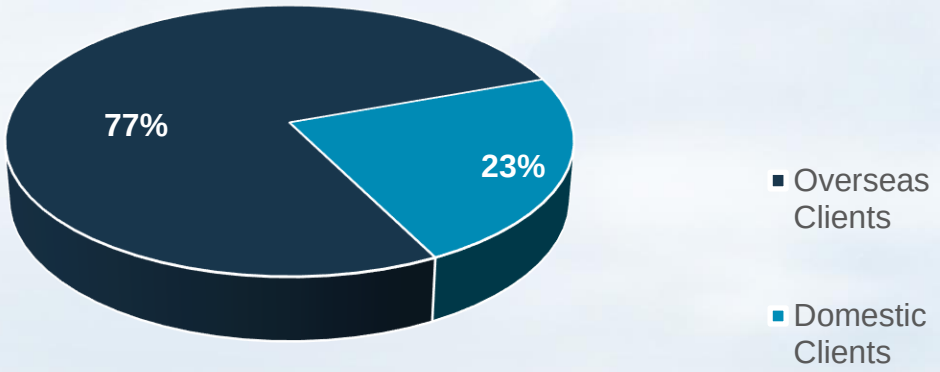
2021, Revenue of CDMO Business

RMB million

1

70% Revenue from Overseas Clients

Foreign revenue came from European subsidiary Sirton and other foreign clients license; Domestic clients contributed to large amount of incremental revenue



CDMO- Competitive Edge

Comprehensive Technology Transfer Process

Transfer experience sourced from dozens of projects in various stages and is combined with company know-how to accelerate projects

Rich Project Management Experience

Productive overall Mgt & process Mgt, increasing projects turnover rate

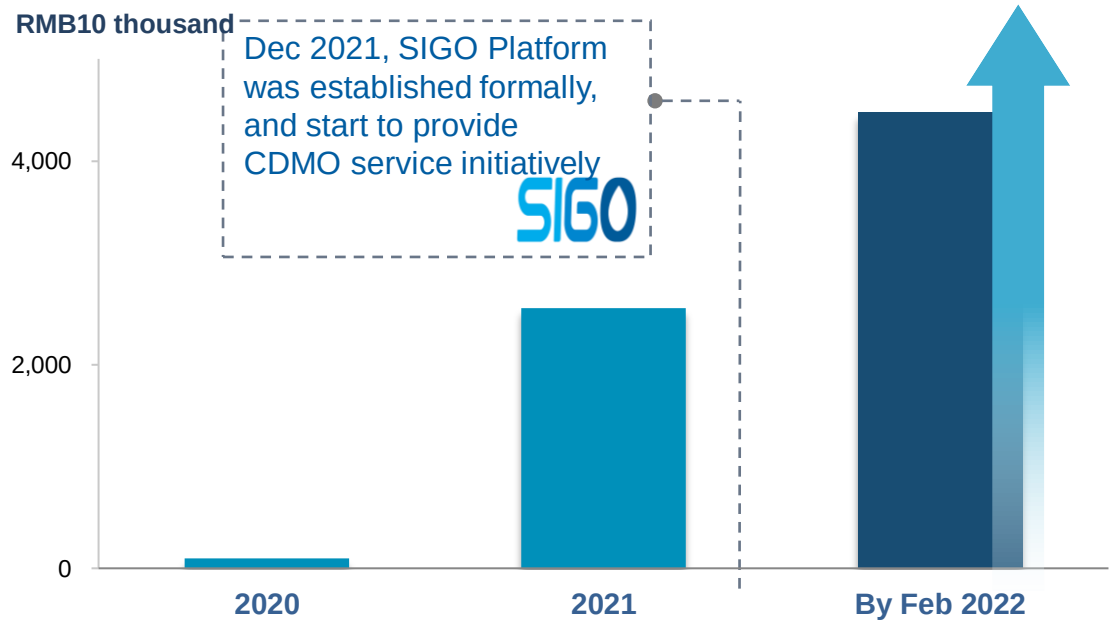
Mature IND\NDA Submission Experience

Scarce submission experience in the late clinical study stage & commercialized stage, originating from several commercialized products

Localization of Supply Chains

Layout nationalization of industrial chains upstream such as affinity resin， culture medium; provide controllable and cost-effective CDMO service

Biopharmaceuticals CDMO Revenue[1] Boosted



1. Biopharmaceuticals CDMO Revenue refers to the group total CDMO revenue excluding revenue from overseas subsidiary Sirton and technology transfer fee

CDMO- Global CDMO Plants

Group CDMO Map

- Devoted to R&D, Clinical Study and Commercialization Service in Regard to Biopharmaceuticals, Gene Therapy, Cell Therapy
- Committed to Providing Real One-stop Service for innovative drugs from DNA to Launch, Ensuring Smooth in All Key Milestones

Sirton Italy

Bulks

Clients include Mylan, Sanofi and on

Zhangjiang Plant Shanghai

Biopharmaceuticals

Depend on Sunshine Guojian professional biopharmaceuticals system, honored as Veteran in Biologics

Desen Plant Shenyang

Biopharmaceuticals

Stage Ⅰ 199K liters planning capacity, >10 thousands/ reactor, self-productivity of affinity resin & culture medium

Sunshine Plant Guangdong

Biopharmaceuticals

Planning production lines cover microbial fermentation, plasmid, mRNA and LNP LPO full-process production

SIGO Plant Shanghai

Biopharmaceuticals

Planning biopharmaceuticals CDMO global R&D center, comprehensive incubators, imported bulk capacity

Sunshine Plant Suzhou

Biopharmaceuticals, Cell Therapy

Planning 8000 L manufacturing site complying with GMP

CDMO- Prospects

Integration 2021

- Integrated resources
- Begin operate independently

Improvement 2022-2023

- Improve localization of key material
- Planning 1.5K L /year Protein-A affinity resin and 105 ton /year culture medium production lines in Shenyang

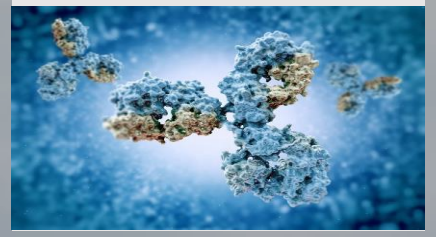
Expansion 2024-2025

- Expand GT, CT Business
- Expand domestic & overseas business complying with production release
- Make sure growth constantly

Sustainable Development 2025-

- Realize sustainable development
- Leading domestic CDMO supplier
- Broaden global market share

Biopharmaceuticals



Supply Chain

Gene Therapy

Cell Therapy

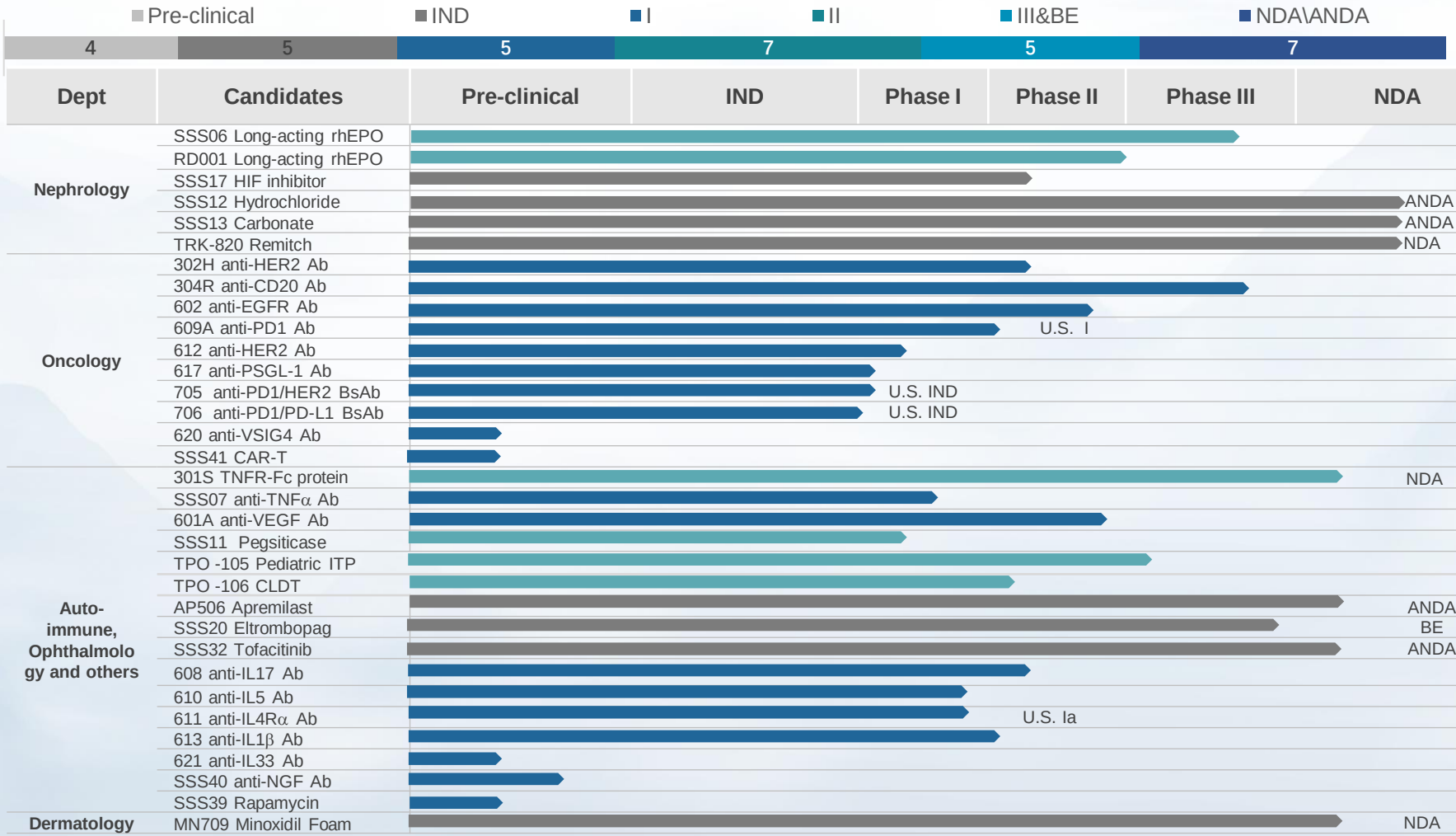
03

R&D

Chief Scientific Officer

Dr. Zhenping Zhu

R&D Pipeline


Pre-clinical
IND
I
II
III&BE
NDA\ANDA
4
5
5
7
5
7
Dept
Candidates
Pre-clinical
IND
Phase I
Phase II
Phase III
NDA
Nephrology
SSS06 Long-acting rhEPO
RD001 Long-acting rhEPO
SSS17 HIF inhibitor
SSS12 Hydrochloride
SSS13 Carbonate
TRK-820 Remitch
ANDA
ANDA
NDA
Oncology
302H anti-HER2 Ab
304R anti-CD20 Ab
602 anti-EGFR Ab
609A anti-PD1 Ab
612 anti-HER2 Ab
617 anti-PSGL-1 Ab
705 anti-PD1/HER2 BsAb
706 anti-PD1/PD-L1 BsAb
620 anti-VSIG4 Ab
SSS41 CAR-T
U.S. I
U.S. IND
U.S. IND
Auto-immune, Ophthalmology and others
301S TNFR-Fc protein
SSS07 anti-TNFα Ab
601A anti-VEGF Ab
SSS11 Pegsiticase
TPO -105 Pediatric ITP
TPO -106 CLDT
AP506 Apremilast
SSS20 Eltrombopag
SSS32 Tofacitinib
608 anti-IL17 Ab
610 anti-IL5 Ab
611 anti-IL4Rα Ab
613 anti-IL1β Ab
621 anti-IL33 Ab
SSS40 anti-NGF Ab
SSS39 Rapamycin
NDA
ANDA
BE
ANDA
U.S. Ia
Dermatology
MN709 Minoxidil Foam
NDA
Small molecule drugs
Antibody-drugs
Other drugs

R&D Progress

Oncology

304R anti-CD20 mAb (Non-Hodgkins Lymphomas)
Phase III inspection completed

602 anti-EGFR mAb Phase II

302H anti-HER2 mAb Phase II

612 anti-HER2 IND approval

609A anti-PD-1 mAb China Phase II, U.S. Phase I completed

617 anti-PSGL-1 mAb IND approval

705 anti-PD-1*HER2 BsAb China/U.S. IND approval

706 anti-PD-1*PD-L1 BsAb China/U.S. IND approval

Auto-immune

301S TNFR-Fc R-protein NMPA accepted for review

608 anti-IL-17mAb（PsO） Phase II

608 anti-IL-17mAb（SpA） IND

SSS07anti-TNF-α mAb（RA） Phase Ⅱ IND

611 anti-IL4Rα mAb（AD） China Phase Ib/II, U.S. Phase Ia completed

613 anti-IL-1β Ab Phase Ib/ II

Dermatology, Ophthalmology and Others

SSS11 Pegsiticase (Acute gout) Phase I

MN709 (Minoxidil foam) NMPA accepted for review

601A anti-VEGF mAb（AMD\DME） Phase II

601A anti-VEGF mAb（BRVO\CRVO\pmCNV） Phase I/IIa

Nephrology

TPO-105 (Pediatric ITP) Phase III

TPO-106 (CLDT) Phase Ib/ II

SSS06 long-acting EPO (Double weekly) Phase III

RD01 long-acting EPO (Monthly) Phase II completed

SSS17 HIF Inhibitor Phase I

TRK-820 （Narfuraphine hydrochloride orally disintegrating tablets) NMPA accepted for review

R&D Strategy-Balance between Risk and Efficiency

Strategy-Balance between Risk and Efficiency within Controllable Costs

New Targets

- Traits: high risk, long R&D cycle, high yield

Advantages: cooperate with external resources; independent mAb discovery platform; animal modelling strength, comprehensive study within controllable costs

Mature Targets

- Traits: specific druggability, low risk, short cycle, high yield
- Advantages： Ab reserves with proprietary intellectual property rights; mature develop platform; complete team

Potential Targets

- Traits: clear mechanism, druggability, undefined clinical benefit; long R&D cycle, high risk
- Advantages： global talents for cell signaling pathway and mechanism study; abundant macromolecule druggability study experience including complex molecule

Major Projects Introduction:

	706	617	621
Indication	**Solid Tumor**	**Solid Tumor**	**COPD**
Mechanism	**Immune Regulation**	**Immune Regulation**	**Immune Regulation**
Traits	1. Apply independent R&D (CLF^2) platform	1. Screen for specific tumor Ab which could adapt M2 to M1	1. Site-directed mutagenesis optimize sequences, expression enhanced greatly
	2. Employ common light chains without heavy and light chain mismatch	2. Not bind N-terminal PTM, not block L-selectin, reduce potential toxicity	2. After mutagenesis, the thermal stability of Ab improved substantially
	3. Maintain the affinity and avidity for dual targets as quadrivalent Ab	3. Specificity can activate anti-tumor immune response	3.After optimization of sequences, PK extended significantly
	4. Similar stability with mAb, product with mAb technology	4. Multiple cross, easy for pre-clinical study toxicity and drug effect study	4. Excellent in vitro and in vivo activities
	5. Superior physicochemical properties and thermal stability		
	6. Select IgG4 and introduce S228P mutations, reduce toxicity risk		

Clinical Strategy- Accelerate Autoimmune Clinical Pipelines

Based on Clinical Demands for Autoimmune & Inflammation

01

4.2% prevalence of Asthma in the population aged 20 years and older in China，the number reached **45.7 million**；

---Massive CPH Study Launched on the Lancet in 2019 (Adults Lung Health Study in China)

02

100 million approx. COPD Patients **in China**

---COPD Prevalence and Risks Study in China Launched on the Lancet in 2018

03

61.5 million approx. AD patients in 2019, the number will increase to 65.9 million in 2030;

---Data source: Frost & Sullivan

04

177 million approx. Hyperuricaemia patients; **14.66 million approx.** Gout patients

--- "Guidelines for Hyperuricaemia & Gout (2019)"

Pipeline strategy:

Indications Coverage: RA、AS、PS	Pipeline Expansion，Construct FIC/BIC products	Pipelines Newly Indications Coverage AD, Chronic Sinusitis, Asthma, AG Arthritis, …

Autoimmune Pipeline Launch Prospects:

Project	Indication	2023	2024	2025	2026	2027
608 (IL-17A)	PsO	NDA				
	SpA			NDA		
610 (IL-5)	Eosinophil asthma				NDA	
611 (IL-4R)	AD		NDA			
	Sinusitis		NDA			
613 (IL-1β)	AG Arthritis			NDA		

Autoimmune Major Products

608- Moderate-to-Severe Plaque Psoriasis

Brand-new Amino Acid Sequence Targeting IL-17A

- 608 Ab adopts recombinant DNA technology and expresses in the CHO cells
- 608 Ab is an fully brand-new amino acid sequence targeting IL-17

Significant Safety and Drug Effect

- Significant safety and tolerance;
- Healthy persons Phase I data showed long half-life (drug delivery once/month), linear relation between exposure and dose, not immunogenic;
- Efficacy data corresponds to Eicizumab, Secukinumab

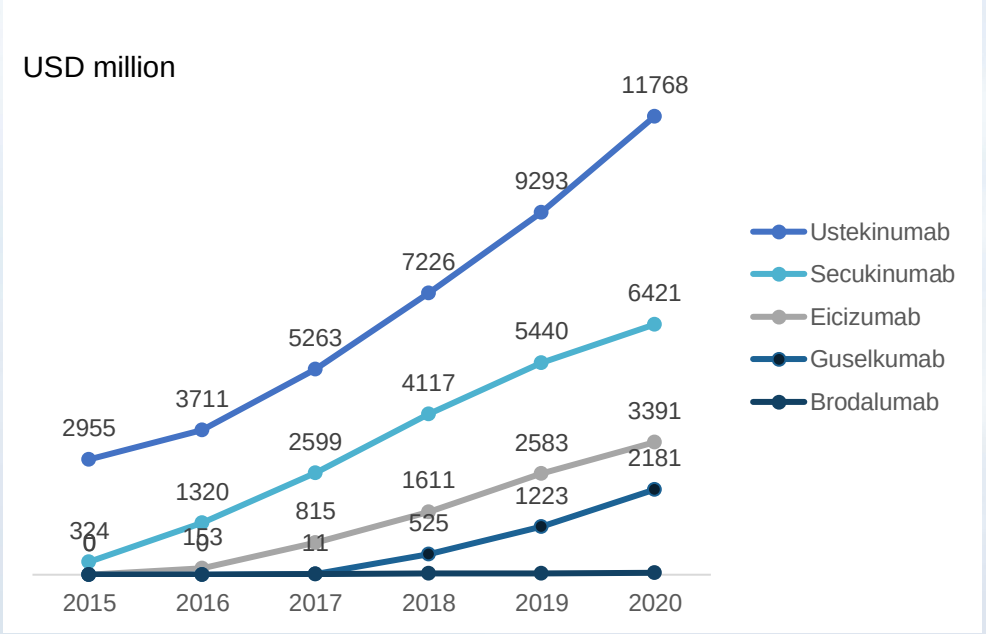
High Incidence Rate, Huge Market Size

- **~0.47%** prevalence rate, 6.5-7 million /year PsO patients in China
- 70%~80% of plaque psoriasis among all PsO, exist huge market potential and the global market share increased by years;
- Anti-IL-17 mAb shows high efficacy for PsO patients, worldwide status improved by years

608 PsO Progress Rank No.3 in China

	No.	Target	Company	Indication	Pre-or IND	I	II	III	NDA/Launch
1	SHR1314	IL-17A	Hengrui	PsO				Recruiting	
2	GR1501	IL-17A	Zhixiang	PsO				Recruiting	
3	**SSGJ-608**	**IL-17A**	**Guojian**	**PsO**			Recruiting		
4	JS005	IL-17A	Junshi	PsO			Recruiting		
5	LZM012	IL-17A/F	Lizhu	PsO			Planning recruit-ment		
6	HB0017	IL-17	Huabo	PsO		Planning recruit-ment			

Global sales of mAb for PsO



Autoimmune Major Products

610- Eosinophil Asthma

Brand-new mAb Targeting IL-5, Variable Region Sequences

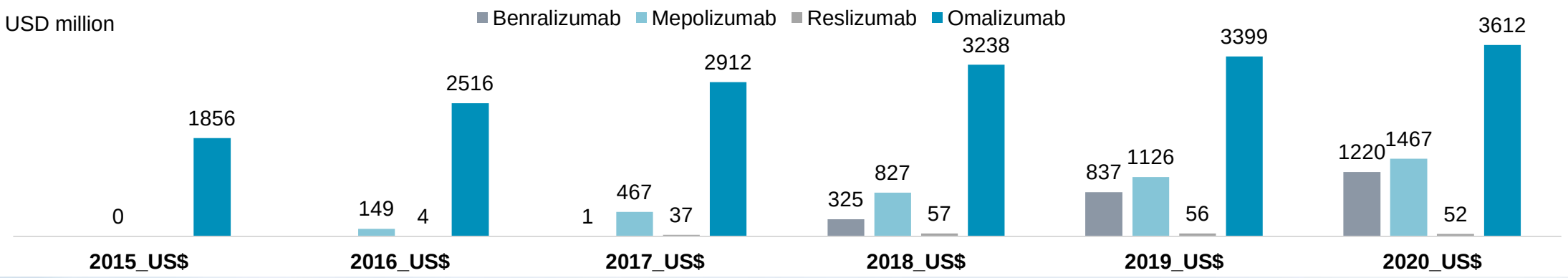
- Adopt recombinant DNA technology, new sequences recombinant IgG1 mAb developed independently;
- combine IL-5 directly to block action with the alpha chain receptor on EOS surface, inhibit eosinophilic airway inflammation responsiveness, reduce acute episode risks

Outstanding Safety, Significant PK Linear Relation

- Outstanding safety and tolerance, ADA negative;
- Healthy persons Phase I data showed long half-life, indicated significant linear relation between exposure and dose, PK trait similar with Mepolizumab

High Incidence Rate, Huge Market Size

- The article[1] launch on the Lancet in 2019 illustrates, **4.2%** prevalence of Asthma in the population aged 20 years and older in China, the number reached **45.7 million,** greatly exceed past estimation;
- Global biologics for asthma sold 6.3 billion USD 2020; Omalizumab(anti-IgE) is the only NDA approved biologics, **610 R&D Progress Rank No.1 in China**



The First IL-5 mAb IND in China, Distinct Leading Edge

No.	Target	Inidications	Compant	pre-IND/IND	Ia	Ib	II	III	NDA	Launch
610	IL-5	Eosinophil asthma	Sunshine Guojian	Recruiting						
SHR-1703	IL-5	Eosinophil asthma	Jiangsu Hengrui	Planning recruitment						

1. "Study for Prevalence, Risks and Diseases Management of Adults Asthma in China"

Autoimmune Major Products

613- Acute Gout Arthritis

Brand-new mAb Targeting IL-1β

- Adopt DNA recombinant DNA technology, construct and express in the CHO cells to acquire recombinant anti-IL-1β humanized Ab;
- IL-1β is a major mediator of acute gout arthritis inflammation
- Targeting IL-1β treatment is efficient for acute gout arthritis

Outstanding Safety, Significant PK Linear Relation

- Study conducted on healthy Chinese subjects, demonstrating outstanding safety and tolerance
- PK traits: long half-life, exposure and dose indicated significant linear relation;
- Current data showed no ADA positive;
- Non-clinical & clinical results indicated it is similar with Canakinumab

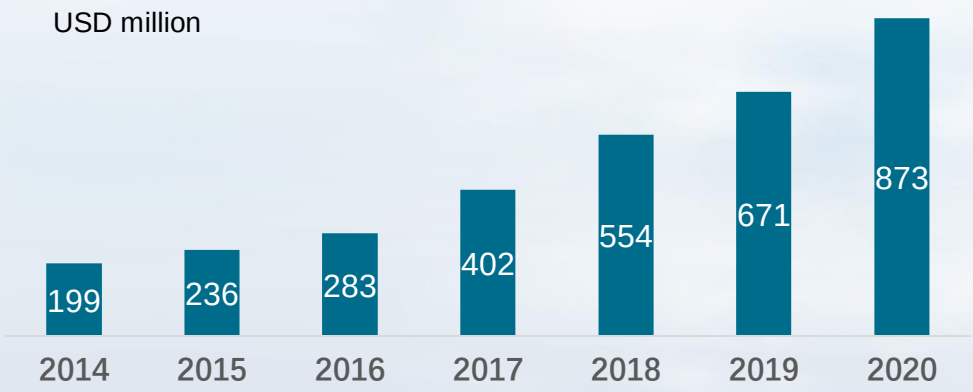
High Incidence Rate, Huge Clinical Demands

- **Worldwide:** the research based on Asian, European, and North American population illustrates, 0.6 to 2.9/1000 person /year incidence rate, 0.68%-3.90% adults prevalence ratio;
- **China:** 1%~3% prevalence, **> 80 million gout patients**, grow rapidly at **9.7%/year;** most gout patients would suffer from acute episode repeatedly;
- ACR, EULAR and China Guideline indicate patients with repeated episode or refractory AG could consider IL-1 receptor treatment

Three Components Targeting IL-1β, Attractive Market Competition Structure

Target	Company	Product	Indications	IND	I	II	III
IL-1β	Changchun Jinsai	Jinna mAb	Acute gout arthritis	Recruiting			
	Sunshine Guojian	**613**	Acute gout arthritis	**Planning recruitment**			
IL-1R	Jiaochen	IL-1 receptor	Gout arthritis (interval)	Recruiting			

Canakinumab Sales Revenue



Data source: Insight Database

International Cooperation

International R&D Collaboration

verseau . **Massachusetts U.S.**

- VSIG-4、PSGL-1 targets research, Sunshine is responsible for commercialization in Chinese Market1
- VTX-0811 clinical trial approved by FDA, expected to conduct Phase Ia/Ib study in Q1 2022, IND China accepted for review in Jan 2022

NUMAB Drug Innovators **Zurich Switzerland**

- Develop and commercialize series of new polyspecific antibody based on Numab technology platform
- Select NM28 as the initial authorized product (NM28 is the best potential CD3 T-cell engager targeting MSLN for mesothelioma treatment

1. Taiwan, Hongkong, and Macao markets are included

International Registration /Clinical Trial

Commercialized products registered abroad

- Yisaipu was acquired launching license from 15 countries and registered among various countries.

Independent R&D innovative products conducted international clinical trials

- 609A、611、705、706 projects are conducted IND/ clinical study in both China and U.S.

Independent R&D projects actively seek international cooperation

- The global development and commercialization right of 609A for its Syncrovax™ (specific therapy) were authorized to Syncromune Inc. 3Sbio has received an upfront payment and may receive future regulatory and sales, totaled hundreds of millions dollars.
- Pegsiticase started Phase III clinical study in U.S. and 3Sbio supplies formulation overseas.

R&D Centers

4 Centers, 5 Platform: Cover All-process of Drug Discovery, R&D, Register, Clinical Study, Production

Shenyang-Biologics, Synthetic

Shenyang-Biologics, Synthetic

Shenyang-Biologics, Synthetic

Hangzhou-Synthetic Drugs

BsAb & Polyspecific Ab Platform

- Multifunctional
- New mechanism
- Distinct druggability, easy to product （CLF^2 BsAb Platform）

Multifunctional Fc Protein Platform

- Discover new function based on new mechanism
- Diversified forms

Ab Maturity and Optimization Platform

- Humanized
- Improve physicochemical properties
- Mature affinity
- Function expansion and optimization

Ab Selection Platform

- Facilitate new targets R&D
- Convenient, fast, costs-controllable R&D

Pre-clinical Animal Drug Effect Platform

- Convenient, fast, costs-controllable
- On-demand design for explore new mechanism
- Mouse, rat, rabbit etc. multi-species project design

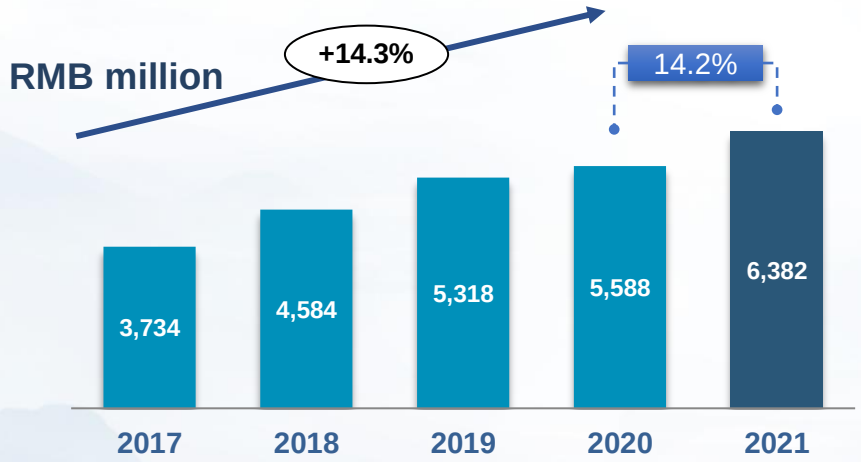
04 Financial Review

Chief Financial Officer

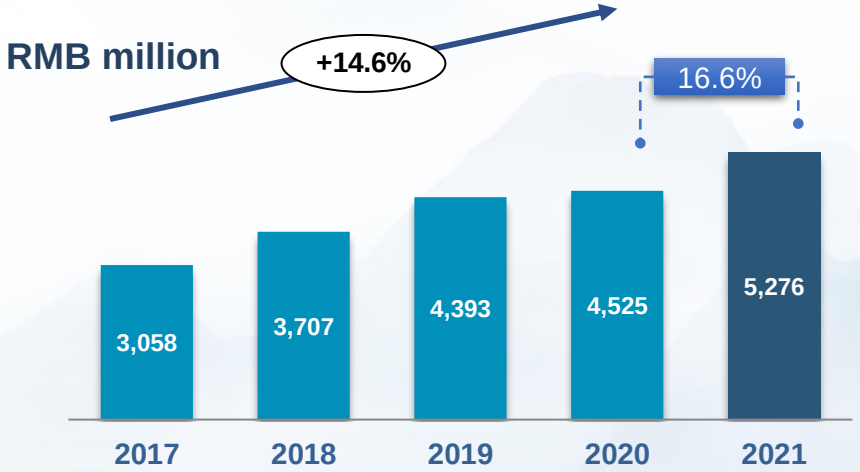
Mr. Fei WANG

Revenue Continually Grow for 5 years, Gross Profit Rate Remained over 80%

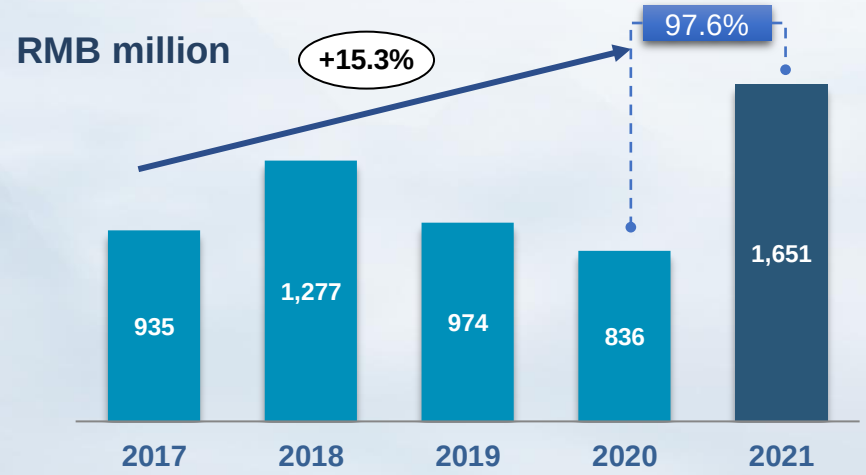
Revenue



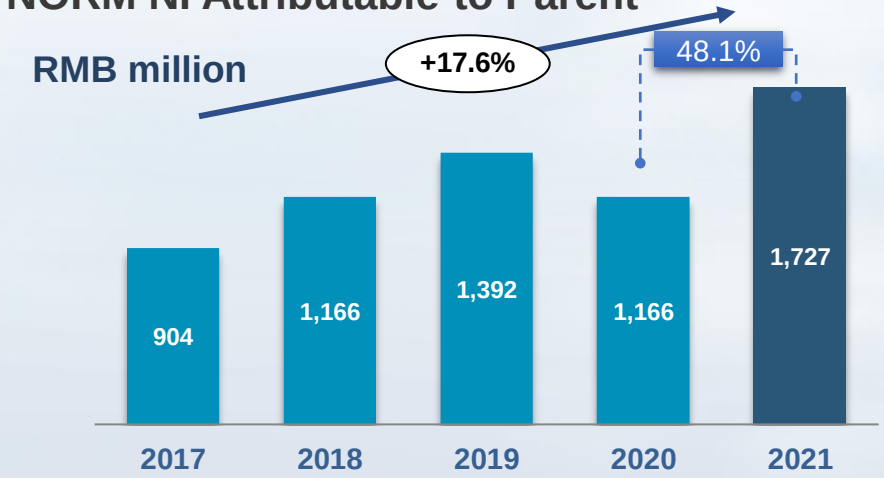
Gross Profit



NI Attributable to Parent



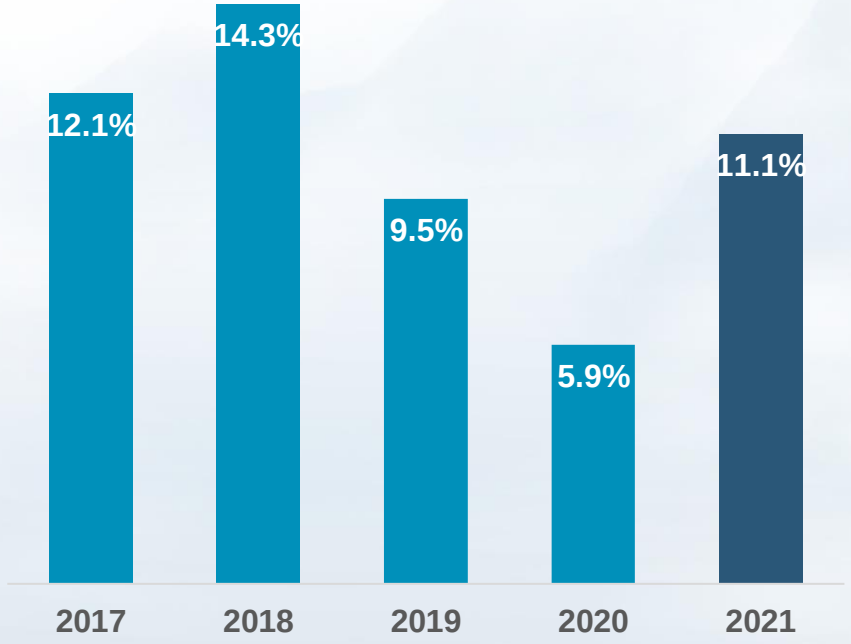
NORM NI Attributable to Parent



Extremely Attractive Earnings

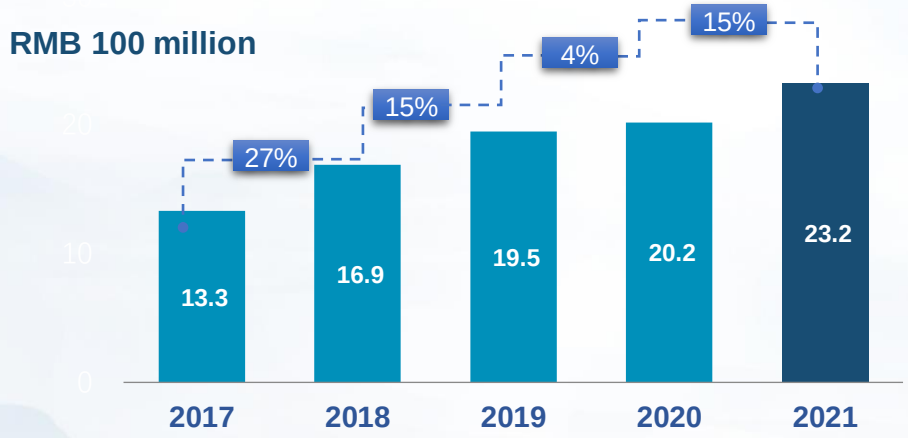
EPS (HKD)

ROE



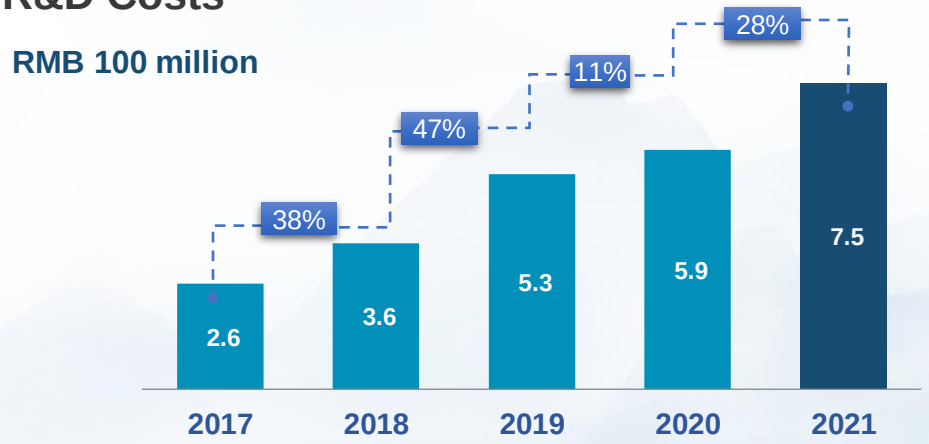
R&D Ratio Improved Constantly, Costs Reasonably Controlled

Selling and Distribution Expenses



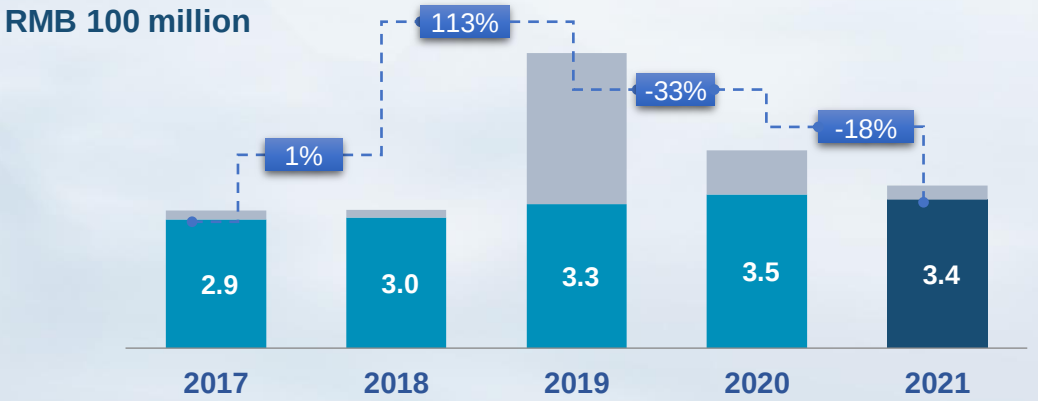
S&D Ratio (%)	35.6	36.9	36.7	36.1	36.4

R&D Costs



R&D Ratio (%)	6.9	7.9	9.9	10.6	11.8

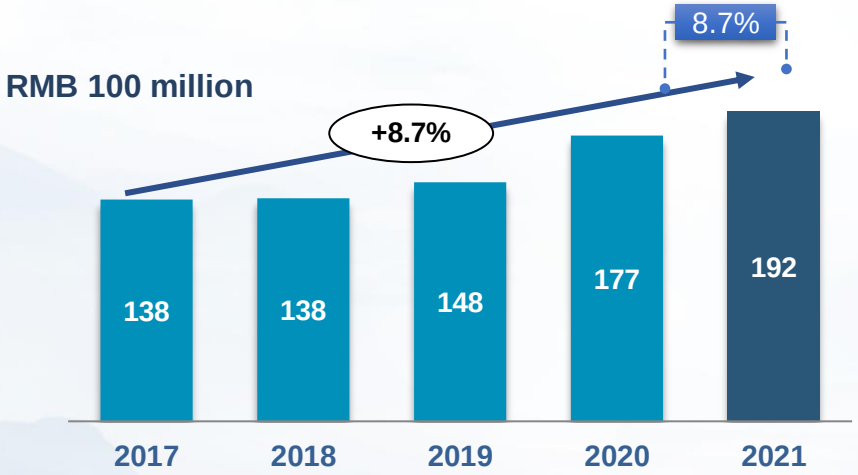
Administrative Expense



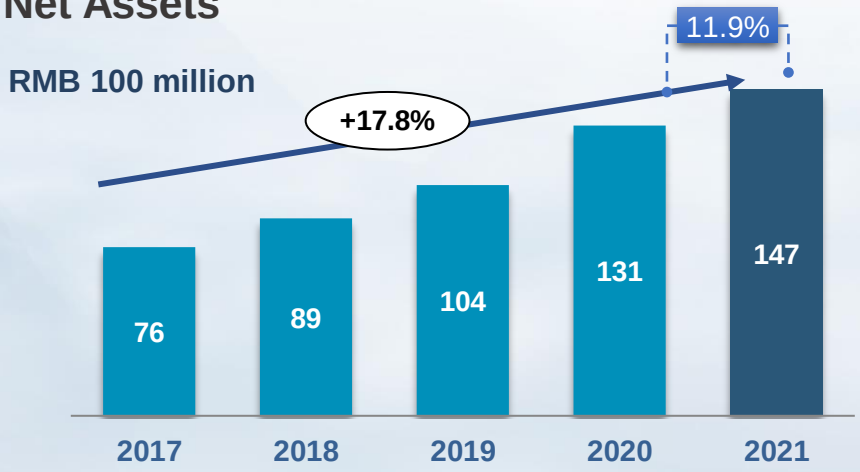
AE Ratio (%)	8.4	6.9	12.7	8.1	5.8

Total Assets & Net Assets Increased, Debt Asset Ratio Declined

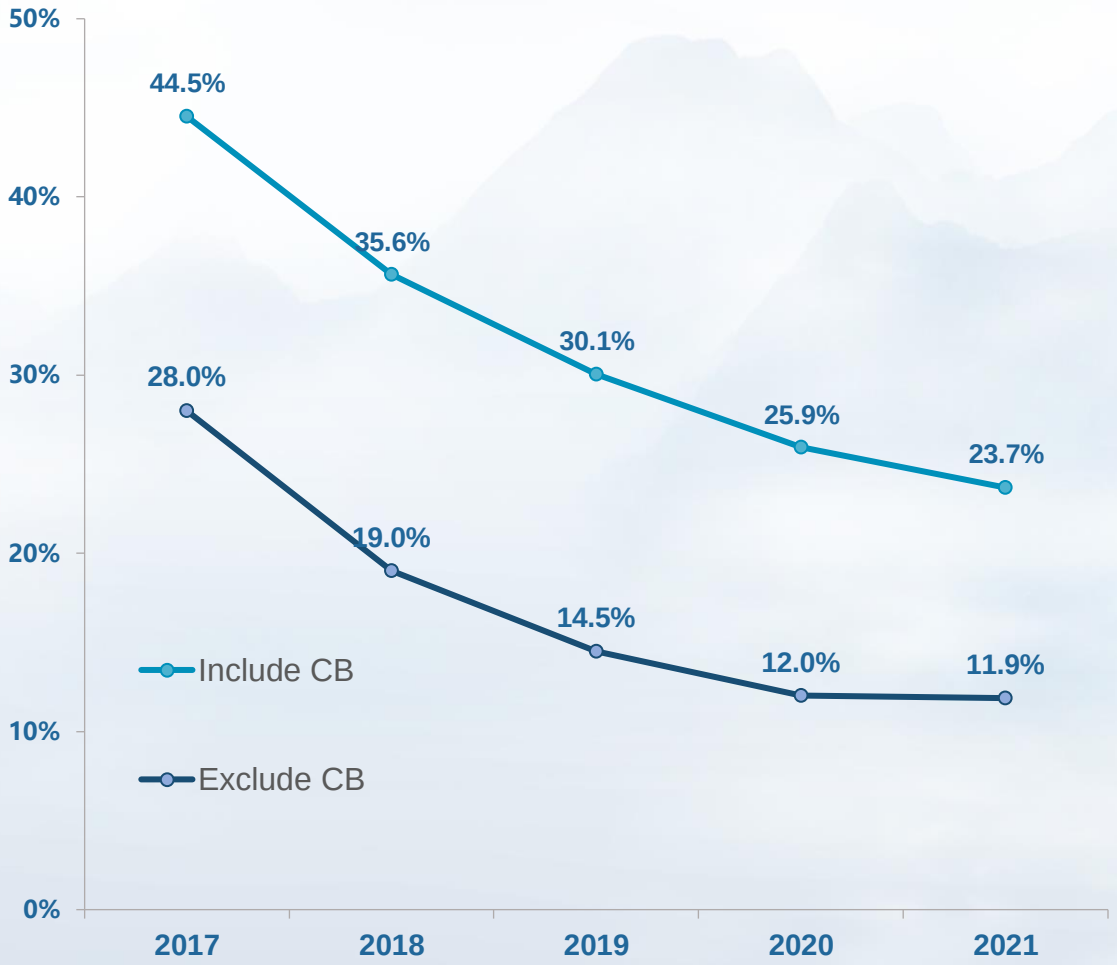
Total Assets



Net Assets

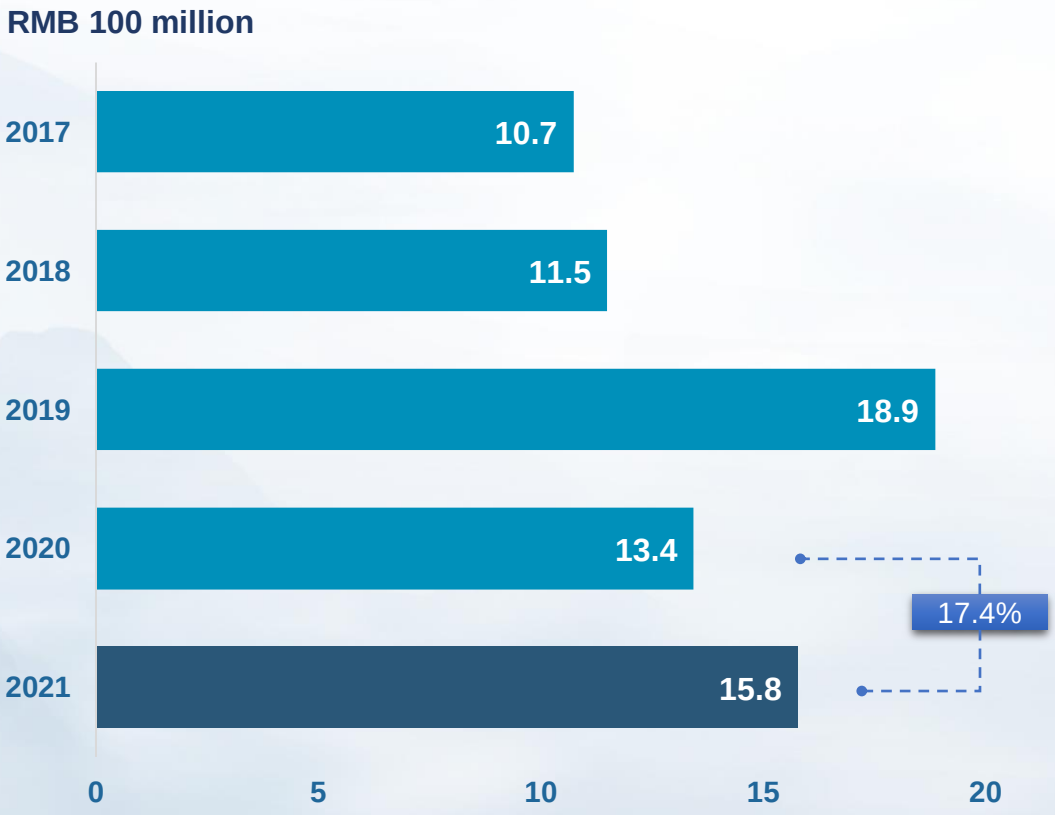


Debt Asset Ratio

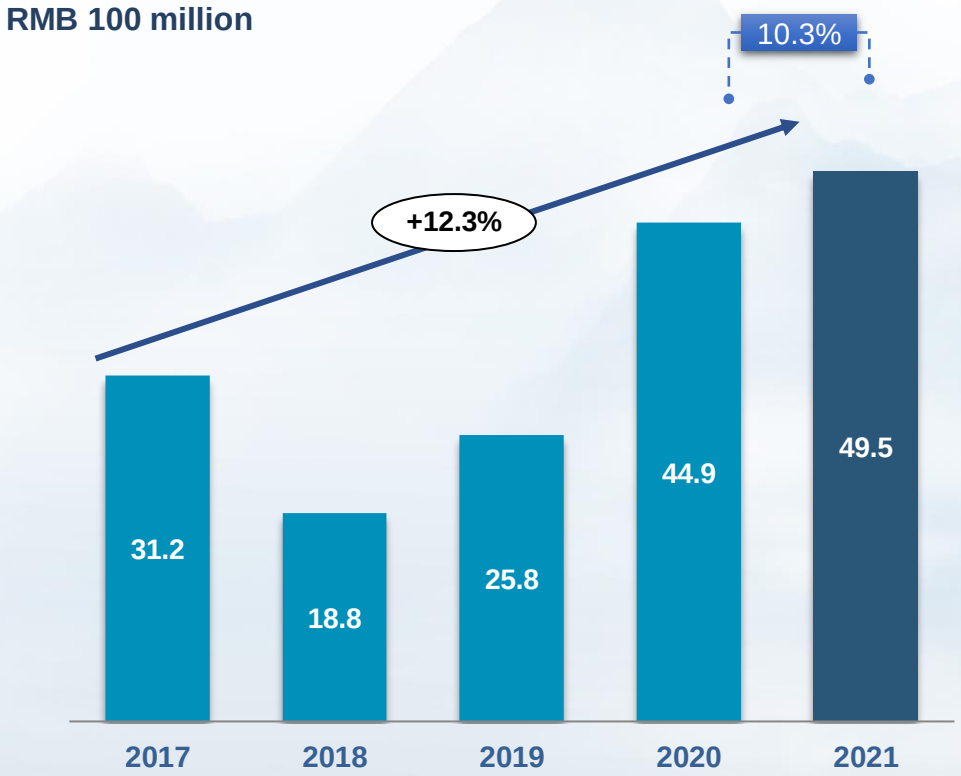


Sublime CF condition, Sufficient FCF

OCF



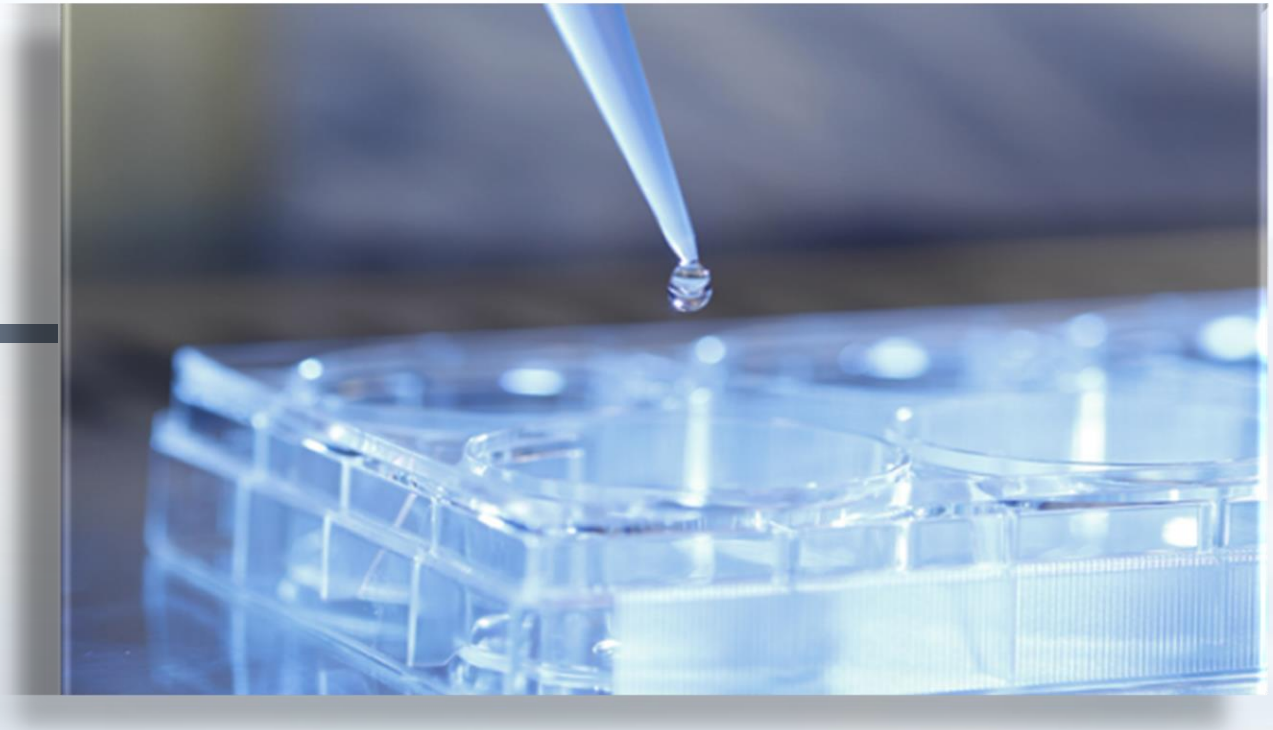
Cash Equivalents (Financing Proceeds Included)



05

Q&A

Management



THANKS

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珍 爱 生 命 · 关 注 生 存 · 创 造 生 活

CHERISH LIFE CARE FOR LIFE CREATE LIFE