
Press release

3SBio and Verseau Establish Global Clinical Development Collaboration for First-in-class Immuno-Oncology Therapies

SHENYANG, China and BOSTON Mass., February 11, 2019 /PRNewswire/ -- 3SBio Inc. (“3SBio”) (HKEX:1530) and Verseau Therapeutics, Inc. (“Verseau”) announced today a partnership agreement focused on the development and commercialization of novel monoclonal antibodies in the field of immuno-oncology for a broad range of cancers. Verseau’s proprietary drug discovery platform generates first-in-class macrophage checkpoint modulators (MCMs) to benefit patients with cancer, immune and inflammatory diseases.

Under the terms of the agreement, 3SBio will receive an exclusive license to develop and commercialize a select number of MCM antibodies for all human oncology indications in Greater China, including mainland China, Taiwan, Hong Kong and Macau (“Territory”). Verseau will be responsible for discovery and optimization of MCM antibodies for each program. 3SBio will fund and conduct antibody development, GMP manufacturing, and commercialization in the Territory. Verseau and 3SBio will be eligible to receive certain milestone payments and royalties on product sales both in the Territory and globally. 3SBio will also purchase \$15 million of Verseau Series B preferred stock. Additional financial terms were not disclosed.

"Recent advances in immuno-oncology have produced unprecedented benefit to patients; however, many people with cancer still require more effective treatment options," said Dr. Jing Lou, Chief Executive Officer of 3SBio. "Our collaboration with Verseau provides 3SBio with access to novel and differentiated immune-modulating antibodies that will complement our growing innovative oncology portfolio. We look forward to partnering with the Verseau team."

"3SBio is an ideal partner for Verseau to rapidly advance our novel, first-in-class macrophage checkpoint modulators in immuno-oncology," said Dr. Christine Bunt, Chief Executive Officer and Chairman of the Board of Verseau. "3SBio is a pioneer in China’s biotechnology industry with a fully-integrated R&D, manufacturing and commercial platform."

About Macrophage Checkpoint Modulators

Verseau is broadening the therapeutic potential of immunotherapy by developing macrophage checkpoint modulators (MCMs) that regulate the functional shift to make macrophages more inflammatory or more tolerogenic depending on the disease context. While PD-1 inhibitors have provided great clinical successes, they are only effective in 10-15% of cancer patients. Macrophages demonstrate one of the highest infiltration rates in human tumors (~75%). MCMs cause tumors to turn highly inflammatory and stimulate multiple immune cell types, including T cells. Verseau’s therapies have the potential to significantly expand the number of patients benefitting from immunotherapy, including those unresponsive to PD-1 inhibitor therapies. Through its proprietary all-human translational system Verseau

has validated more than two dozen targets amenable to different therapeutic modalities, including monoclonal antibodies (mAbs).

About 3SBio Inc.

3SBio is a fully-integrated biotechnology company in China with market-leading biopharmaceutical franchises in oncology, auto-immune diseases, nephrology, metabolic diseases and dermatology. 3SBio is focusing on building an innovative product pipeline, currently with over 30 product candidates under development. 3SBio's manufacturing capabilities include recombinant proteins, monoclonal antibodies and chemically-synthesized molecules, with production centers in Shenyang, Shanghai, Hangzhou, Shenzhen and Cuomo, Italy. Please visit www.3sbio.com for additional information.

About Verseau

Verseau is creating a new class of therapeutics, macrophage checkpoint modulators, to benefit patients with cancer, immune and inflammatory diseases. With our proprietary all-human translational system we identify novel targets and develop therapies that shift macrophages between immune activators and silencers in disease. Our data suggest that we can at least double the patient population benefitting from immunotherapy. Our initial focus is building a pipeline of first-in-class therapies that modulate macrophages to trigger a coordinated immune attack on cancer. Please visit www.verseautx.com for additional information.

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