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三生制药
3SBIO INC.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1530)

VOLUNTARY ANNOUNCEMENT GRANT OF LICENSE BY VERSEAU FOR ITS PSGL-1-TARGETED ANTIBODY VTX-0811, A MACROPHAGE CHECKPOINT MODULATOR IN IMMUNO-ONCOLOGY

3SBio Inc. (the “**Company**”) wishes to provide to the shareholders of the Company the attached joint press release in respect of its research collaboration with Verseau Therapeutics, Inc., (“**Verseau**”) and a license recently granted by Verseau for novel PSGL-1-targeted antibody VTX-0811 (“**VTX-0811**”) in the field of immuno-oncology. Sunshine Guojian Pharmaceutical (Shanghai) Co., Ltd., a subsidiary of the Company, will be responsible for the development and commercialization of VTX-0811 in Mainland China, Taiwan, Hong Kong and Macau.

This is a voluntary announcement made by the Company. The Company cannot guarantee that it is able to successfully develop or eventually launch VTX-0811. Shareholders of the Company and potential investors are advised to exercise due care when dealing in the shares of the Company.

By order of the Board
3SBio Inc.
Dr. LOU Jing
Chairman

Shenyang, the PRC
18 November 2019

As at the date of this announcement, the directors of the Company are Dr. LOU Jing, Mr. TAN Bo and Ms. SU Dongmei as executive directors; Mr. HUANG Bin and Mr. LIU Dong as non-executive directors; and Mr. PU Tianruo, Mr. David Ross PARKINSON and Dr. WONG Lap Yan as independent non-executive directors.

3SBio Selects Verseau's PSGL-1-targeted Antibody VTX-0811 as First Partnered Macrophage Checkpoint Modulator in Immuno-Oncology Collaboration

PSGL-1, a novel target for immunotherapy, can induce macrophage reprogramming and activate a coordinated anti-tumor inflammatory response

SHENYANG, China and BEDFORD Mass., November 18, 2019 — 3SBio Inc. (“**3SBio**”) (HKEX: 1530) and Verseau Therapeutics, Inc. (“**Verseau**”) today announced the selection of VTX-0811, a monoclonal antibody targeting PSGL-1, as the first licensed program under their partnership agreement focused on the development and commercialization of novel monoclonal antibodies in the field of immuno-oncology for a broad range of cancers.

By targeting PSGL-1, an adhesion molecule that is highly expressed on tumor-associated macrophages across most tumor types, VTX-0811 reprograms macrophages to a pro-inflammatory state, activates T cells and attracts other immune cells to generate a coordinated and powerful antitumor response. Verseau’s PSGL-1 antibodies demonstrate a greater inflammatory response compared to current immunotherapies in both PD-1 responsive tumors and non-responsive tumors. PSGL-1 is the first unblinded target from Verseau’s pipeline of macrophage checkpoint modulators (MCMs). Verseau’s MCMs reprogram macrophages to be more inflammatory or more tolerogenic depending on the disease context.

“We are pleased to have achieved our first licensing milestone in our collaboration with 3SBio. Their decision to select VTX-0811 as the first program for development validates that PSGL-1 is an important and novel immuno-oncology target with the potential to expand the number of patients benefitting from immunotherapy,” said Dr. Christine Bunt, Chief Executive Officer of Verseau. “Our innovative partnership is enabling Verseau to advance our industry-leading pipeline of macrophage checkpoint modulators with first-in-class potential across a broad range of cancer therapies.”

“Early data in patient-derived primary tumors suggest that PSGL-1 antibodies could generate a greater anti-tumor inflammatory response compared to current immunotherapies in both PD-1 responsive and non-responsive tumors,” said Dr. Jing Lou, Chairman and Chief Executive Officer of 3SBio. “By partnering with Verseau, we are now at the forefront of one of the most promising areas of innovation within immuno-oncology and are making timely progress toward our goal of bringing novel cancer therapies to patients in China. We are eager to begin development on the first program selected under our partnership and look forward to future programs around novel macrophage targets identified by Verseau’s all human translational platform.”

Under the terms of the agreement, 3SBio is granted an exclusive license to develop and commercialize a selected number of MCM antibodies for all human oncology indications in Greater China, including Mainland China, Taiwan, Hong Kong and Macau (“**Territory**”). Verseau retains global rights to all MCM programs outside of Greater China. Verseau is 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. The selection of the first program for co-development under the partnership triggers an undisclosed milestone payment to Verseau. Sunshine Guojian Pharmaceutical (Shanghai) Co., Ltd., a subsidiary of 3SBio, will be responsible for the development and commercialization of VTX-0811 in the Territory.

About PSGL-1

PSGL-1 (P-selectin glycoprotein ligand-1) is an adhesion molecule that is involved in immune cell trafficking in response to tissue injury or inflammation. Verseau discovered that modulation of PSGL-1 can lead to macrophage reprogramming. Proprietary PSGL-1 monoclonal antibodies induce tumor microenvironment activation, T-cell activation and naïve immune cell recruitment amounting to a coordinated immune attack on tumors. In patient-derived primary tumors, PSGL-1 antibodies demonstrate a greater inflammatory response compared to current immunotherapies in both PD-1 responsive and non-responsive tumors. Given the prominent role of PSGL-1 in many tumor types, Verseau has selected PSGL-1 as the lead macrophage checkpoint modulator (MCM) program for clinical development.

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 many patients benefit from PD-1 inhibitor therapies, they are only effective in the ~25% of cancers that involve T cell infiltration. By targeting modulation of macrophages, which are present in ~75% of human cancers, Verseau aims to significantly expand the therapeutic benefit of immunotherapy. 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.

About Verseau

Verseau is creating a new class of therapeutics, macrophage checkpoint modulators, to benefit patients with cancer, immune and inflammatory diseases. With its proprietary all-human translational platform, Verseau is identifying novel targets and developing therapies that shift macrophages between immune activators and silencers in disease. Our data suggests that Verseau can at least double the patient population benefitting from immunotherapy. Verseau's initial focus is building a pipeline of first-in-class therapies that modulate macrophages to trigger a coordinated immune attack on cancer. Verseau has validated more than two dozen targets amenable to different therapeutic modalities, including monoclonal antibodies. Please visit www.verseautx.com/ for additional information.

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 Como, Italy. Please visit www.3sbio.com for additional information.