

Oncology Innovation Powered by Investments and Competition from China

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Panelists:

- **Iris Luo**, MS, MBA, Head of Business Development, North America, Cstone Pharmaceuticals
- **Ian Somaiya**, CFO, TCR² Therapeutics
- **Jack Wu**, PhD, Head of Business Development (USA), Adlai Nortye
- **Ian Woo**, MBA, President & CFO, Everest Medicines



Cancer Progress
New York, NY | May 7 - 8, 2019



China BioPharma is Seeing an Unprecedented Boom Driven by Three Pillars: Policy, Money, and Need

- **Regulatory:**

- China joins ICH harmonizing global clinical development regulations/standards
- Chinese NMPA speeds up clinical development process and opening up for global development
- Accelerated approval set up for innovative therapeutics that are marketed overseas

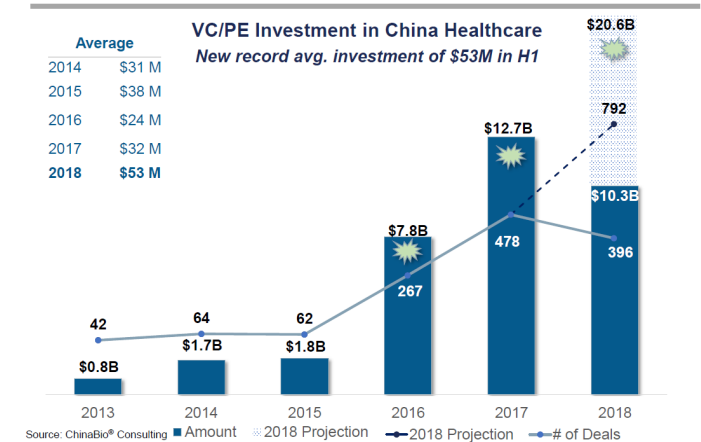
- **Finance:**

- China putting economic force behind the industry by building biotech parks, providing subsidies and incentives for biotechs to develop innovative products
- Chinese investors have raised significant capital to help the biotech boom both domestically and cross-borders, though new CFIUS process may become limiting
- HKEX open to pre-revenue biotechs, with recent success of Cstone, Innovent and others, but also cautionary tales of others (Ascleptis, Beigene)

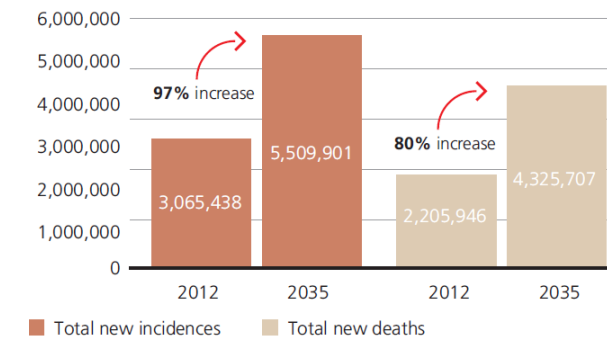
- **Need for Therapeutics:**

- Growing patient population, especially related to cancer, where innovative therapeutics are needed.

Investment in China life science nearly doubled to \$13B
On track to nearly double again to \$21B in 2018



China's estimated cancer incidence and mortality from 2012–2035

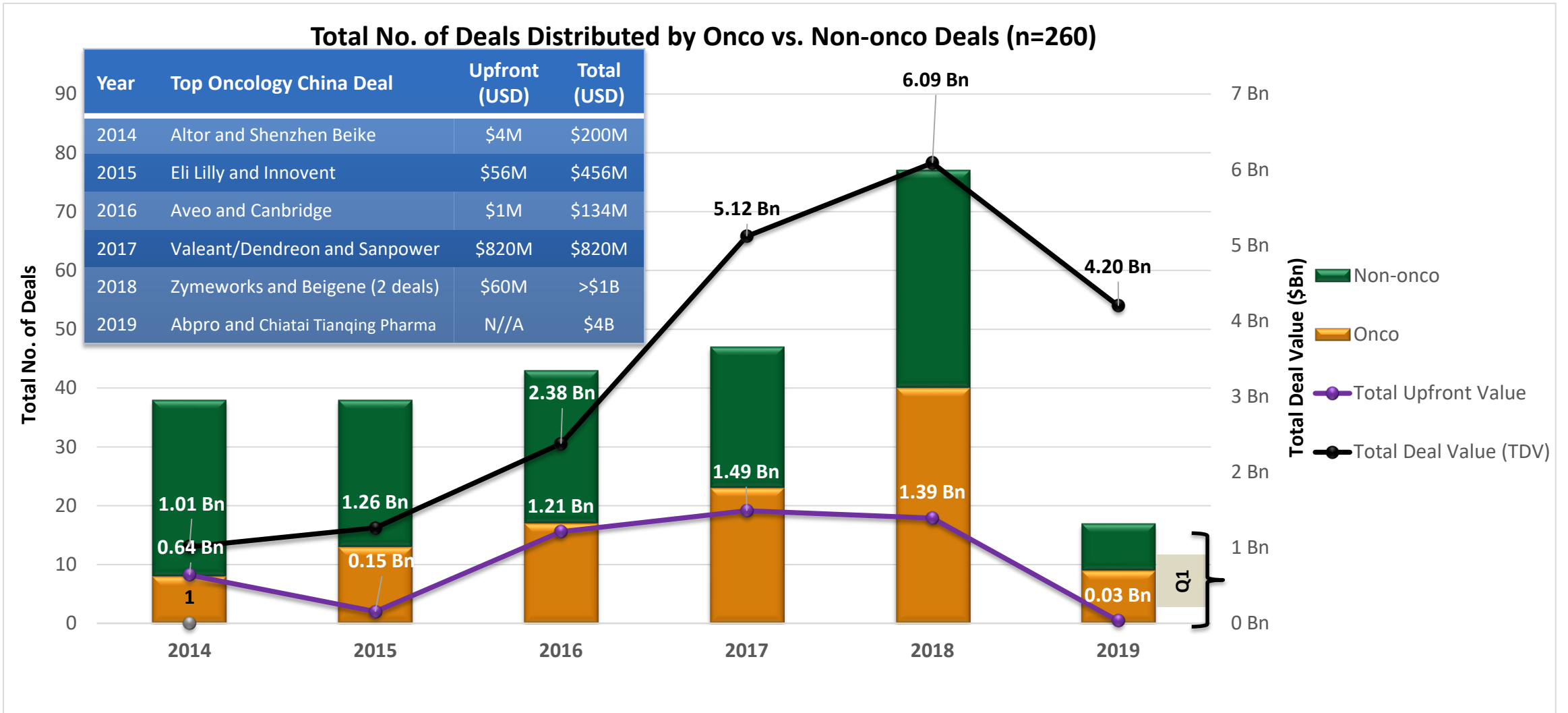


Source: GLOBOCAN 2012: Estimated Cancer Incidence Mortality and Prevalence Worldwide in 2012, WHO, June 2017

UBS 2018; ChinaBio 2018

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Since Last Year, Oncology is 50% of Deals, Driven by Interest in Innovative Therapeutics



BCIQ; *Note = Non-onco count also includes those deals where a therapeutic area wasn't included/specified; Total Upfront = includes upfront cash and equity.

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