

IPO FACT SHEET
SinoMab BioScience Limited (3681)
ISSUE STATISTICS

Offer Size:	HK\$1,384.18m – HK\$1,748.44m
Placement Tranche:	182.1294m
Price:	HK\$7.60 – HK\$9.60
Board lot:	300
Entry fee:	HK\$2,909.02
Historical PE	N.A.
Net tangible asset per share:	HK\$1.50 – HK\$1.84
Market Cap (post-IPO):	HK\$7,647.4m – HK\$9,659.9m
Open:	31 Oct 2019
Close:	12.00 noon on 5 Nov 2019
Trading:	12 Nov 2019
Sponsor:	CICC and Orient Capital (Hong Kong) Limited

Year ended 31 Dec	(RMB'000)	yoy % chg
Other income and gains		
2017	3,411	N.A.
2018	8,666	154.1%
Loss for the year / period		
2017	-51,901	N.A.
2018	-83,610	61.1%

BACKGROUND

- The Group is a Hong Kong-based biopharmaceutical company dedicated to the research, development, manufacturing and commercialization of therapeutics for the treatment of immunological diseases, primarily mAb-based biologics.
- As of the Latest Practicable Date, it had a product portfolio of two drug candidates in varying clinical trial stages for the treatment of multiple immunological diseases, and four candidates in the IND-enabling stage.
- SM03, the Group's flagship product, is a potential global first-in-target mAb for the treatment of rheumatoid arthritis ("RA") and potentially for the treatment of other immunological diseases. SM03 is currently in Phase III clinical trial for RA in China, and the Group aims to complete patient enrollment by the end of 2019.
- The Group's proven R&D strengths lead to collaboration with reputable companies and academic institutions. LifeArc, a UK-based life medical research charity, engaged the Group to co-develop its humanized mAb against the receptor IL17BR found on ILC2 cells. Many top universities in Hong Kong and the PRC approach the Group to conduct joint research studies and publications, in testament to its R&D achievements.

BUSINESS STRATEGIES

- Rapidly advance its flagship product SM03 towards commercialization
- Further progress its existing product pipeline
- Continue to discover and develop novel drugs for the treatment of immunological diseases by leveraging its R&D capabilities
- Expand its production scale to support its product commercialization
- Strengthen its global presence through leveraging its position as a Hong Kong-based biopharmaceutical company

COMPETITIVE STRENGTHS

- The Group's drug candidate SM03 is a clinically proven, first-in-target anti-CD22 mAb for the treatment of RA and potentially other immunological diseases.
- It is one of a select few biopharmaceutical companies in the Greater China Region with an established full-spectrum platform.
- The Group has an expanding portfolio of drug candidates for the treatment of immunological diseases targeting markets with significant

growth potential.

- Its experienced and highly cohesive management team, led by its founder, provides exemplary leadership and guidance.

KEY RISKS

- The Group depends substantially on the successful commercialization of its drug candidates in the future, which may fail or experience significant delays.
- It currently does not generate revenue from the commercial sales of drug products and may not become profitable as expected, or at all.
- It is a development-stage company and it may be difficult to evaluate its current business and predict its future performance.
- Clinical drug development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results.
- The Group may fail to complete the regulatory approval processes for its drug candidates, which are lengthy, time consuming and inherently unpredictable.
- Its drug candidates may fail to achieve the degree of market acceptance by physicians, patients, third-party payers and others in the medical community necessary for commercial success.
- It faces substantial competition, and others may discover, develop or commercialize competing drugs before or more successfully than it does.
- The Group may fail to obtain and maintain IP rights for the protection of its technology and drugs.
- Its future success depends on its ability to retain key executives and R&D experts, and to attract, train, retain and motivate qualified personnel.

DIVIDEND POLICY

- No fixed dividend policy.

USE OF PROCEEDS

	HK mn	As a percentage of gross proceeds from the Invitation
Allocated to the R&D and commercialization of its drug candidates.	730.64	50.0%
For the construction of its Suzhou production base primarily for the commercial scale production of its Core Product SM03.	584.51	40.0%
For working capital, expanding internal capabilities and other general corporate purposes.	146.13	10.0%
Total:	1,461.27	100.0%

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