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ScinoPharm

April 01, 2019



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Table of Content

- **Overview**
- **Business Strategies**
- **2019 Product Approval Plan**
- **Operating Results**



Overview

ScinoPharm at a Glance

- Est. in 1997 and HQ in Taiwan (Tainan) with cGMP plants/R&D in Taiwan and China (Changshu) and marketing forces in Taiwan and China (Shanghai)
- Specializing in high potency (steroid/cytotoxic) APIs and injectable formulation, serving customers worldwide
- 70 generic APIs in portfolio with 29 APIs approved *
 - 60 active US DMFs (812 DMFs WW) with 31 of them oncology APIs
- 100+ contract projects with 6 launched (4 NCEs) and 8 in phase 3 for NDA filing in 1-3 years *
- Certified by key international regulators - US FDA, EMA, EDQM, Australian TGA, Japanese PMDA, Korea KFDA, Mexico COFEPRIS and German Authority

* As of 2019/03/31

Key Updates

- **2018 consolidated sales were TWD 3.5 billion, up 0.2% yoy, with NPAT of TWD 443 million, up 4.9% yoy. EPS was TWD 0.56**
- **Team Strengthening**
 - Taiwan: CEO, ADM, R&D, QM and FIN
 - China: GM and R&D
- **Injectables Progress**
 - 2 US ANDA approvals (Decitabine) in Mar 2018 and (Fondaparinux Sodium) in Nov 2018; 1 US ANDA submission in Sep 2018 under FDA review
- **Inspection Result**
 - Changshu site successfully passed Japan PMDA inspection in May 2018



Business Strategies

Business Strategies

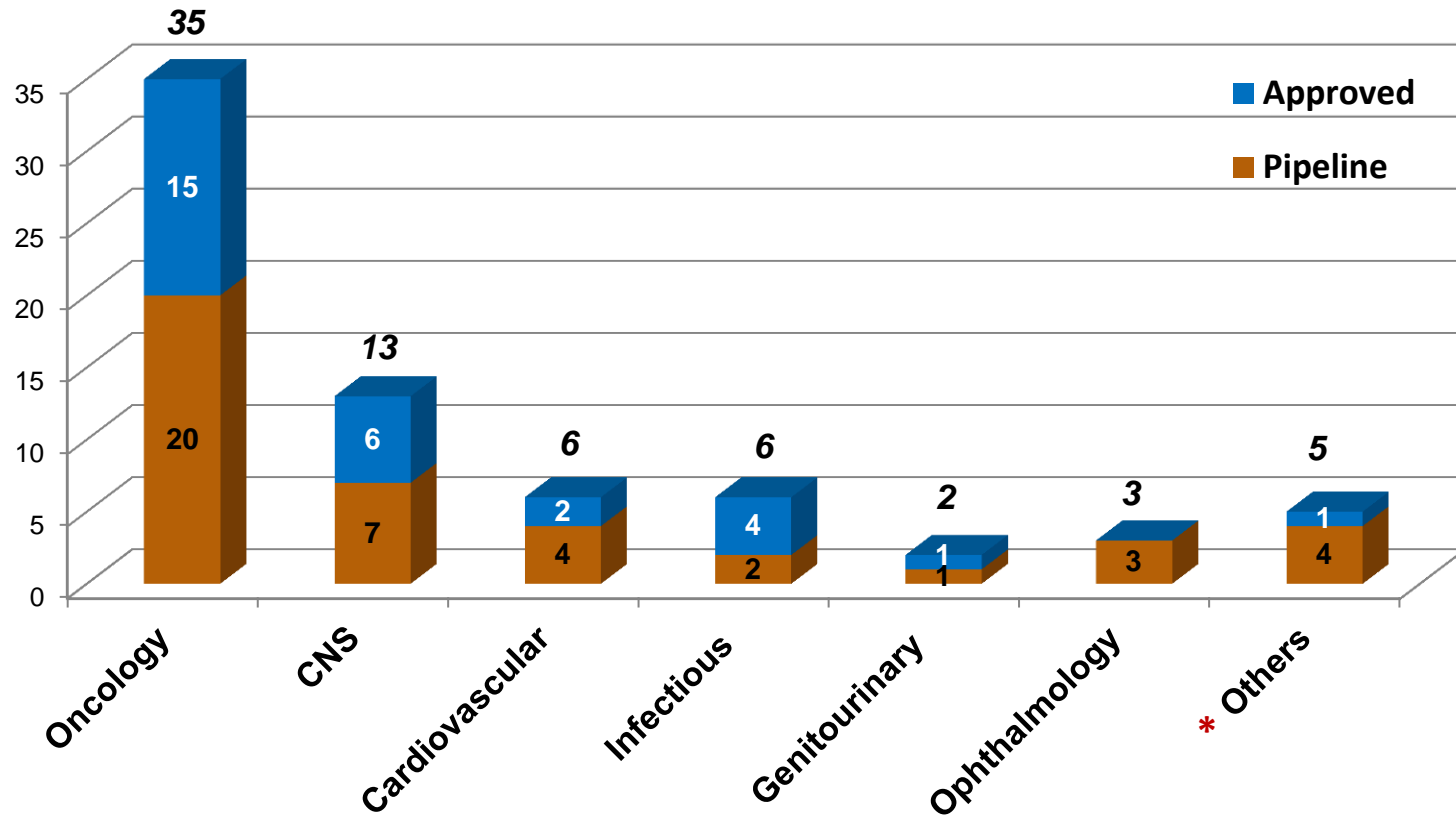
Optimize Existing Generic API Portfolio

Value up into Injectables

Expand CDMO Business

Actively Develop Japan and Emerging Markets

Strategy - Optimize Existing Generics API Portfolio



* Others include Women's Health, Respiratory, Gastrointestinal, Immunology and Metabolic
Data as of 2019/03/31

Value Up



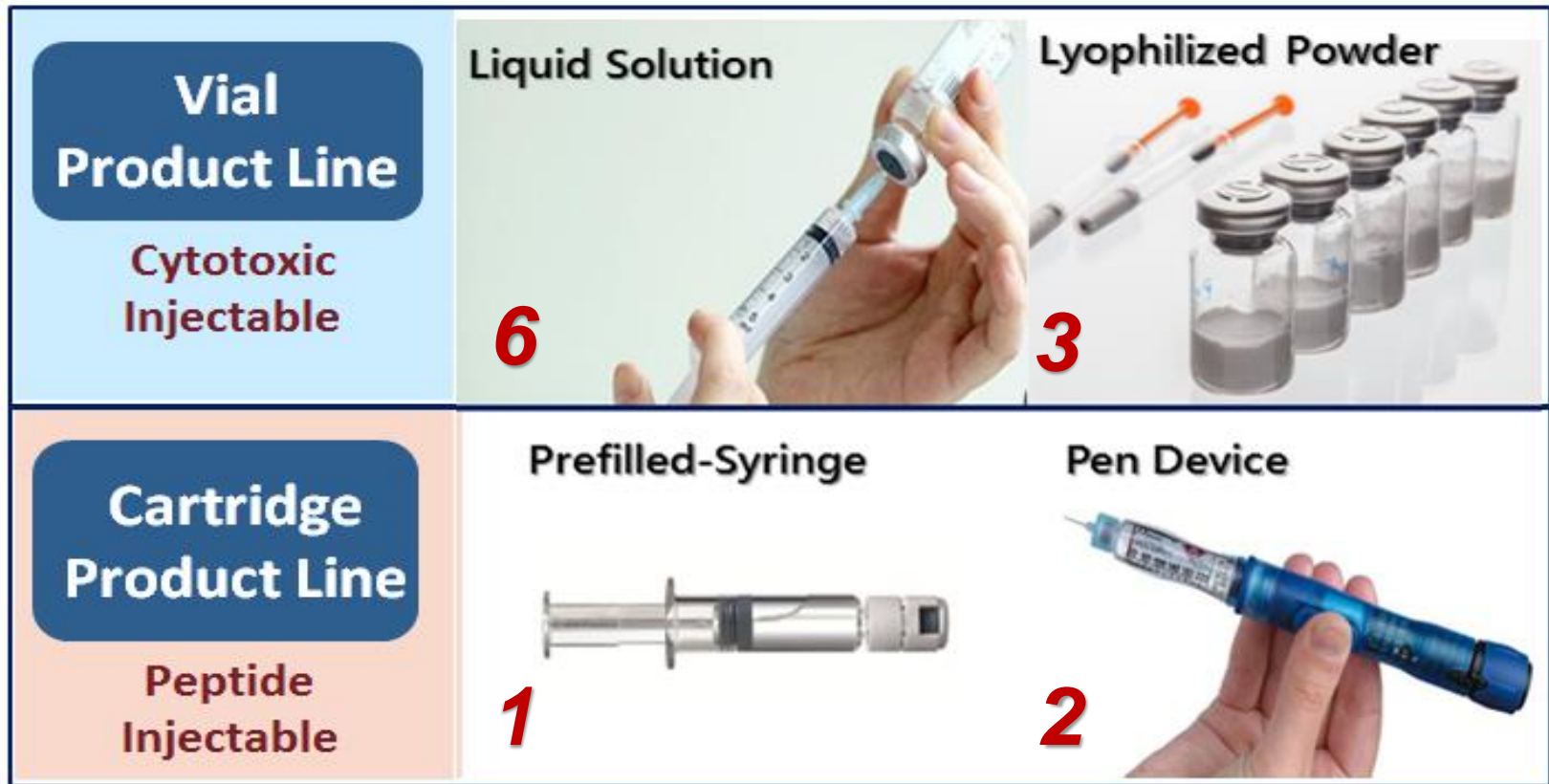
Higher sustainable value
through greater entry barriers, and more tech, IP and regulatory requirements

Strategy - Value Up into Injectables

- Leverage leading position in oncology APIs to expand formulation portfolio
- Target complex products with high entry barriers
- ANDA/Dossier development:
 - Apply ANDAs with in-house APIs
 - 3 US ANDA filings (via Injectable CMO) with 2 approvals (Decitabine and Fondaparinux Sodium) *
 - Submission of 1st ANDA using in house facility in late 2019
- 15 projects with multiple partners in China and US/EU *
- Offer CMO services for proprietary and generic drugs

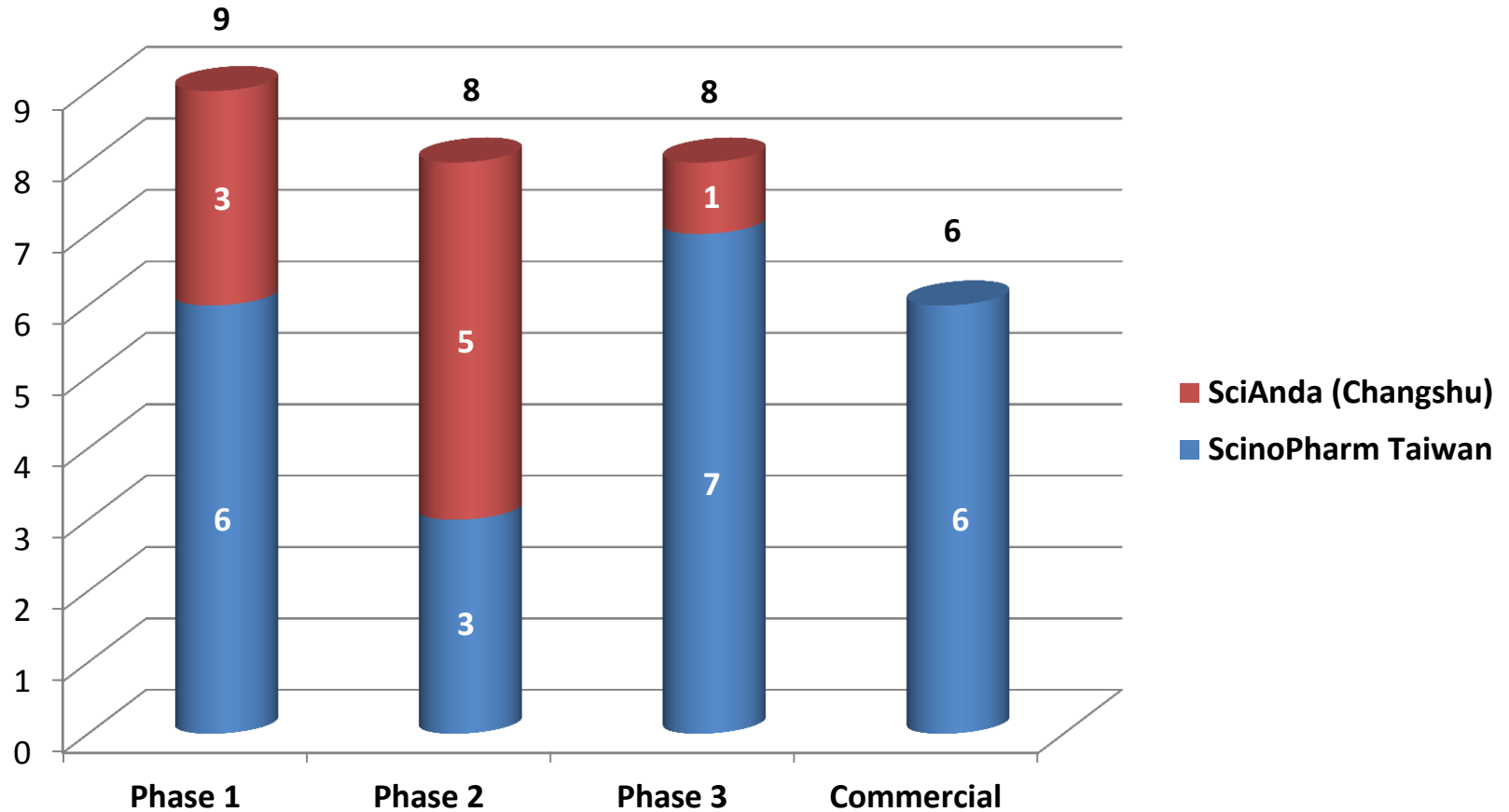
* As of 2019/03/31

In-House Injectables Portfolio



Data as of 2019/03/31

Strategy - Expand CDMO Business



Data as of 2019/03/31

Strategy - Develop Japan and Emerging Markets

Japan

- 20 generic customers with 7 from top 10 drug firms
- Direct business with local generic customers
- Support Japanese and foreign pharmaceutical companies for market expansion
- Develop CRAM projects and leverage new injectable capabilities

China

- Focus on mid- to late-phase CRO projects
- Seek generic APIs/intermediates with large demand

South America & Russia

- Focus on market development



2019 Product Approval Plan

2019 Product Approval Plan

Type	Product	Region	Indication	Brand Marketer
Generic API	Bivalirudin	CN	Anticoagulant	The Medicines Company
Generic API	Docetaxel Trihydrate	US	Various cancers	Sanofi
Generic API	Fulvestrant	US	Breast cancer	AstraZeneca
Generic API	Tamsulosin	US	Benign prostatic hyperplasia (BPH)	Boehringer Ingelheim
Generic API	Flumazenil	JP	Benzodiazepine antagonist	Genentech
Generic Drug		US	Antiemetic agent	Merck
New Drug	Intermediate for CRAM project	US, EU	Metabolic	CRAM Customer

Source: IQVIA Data (2017Q4-2018Q3)

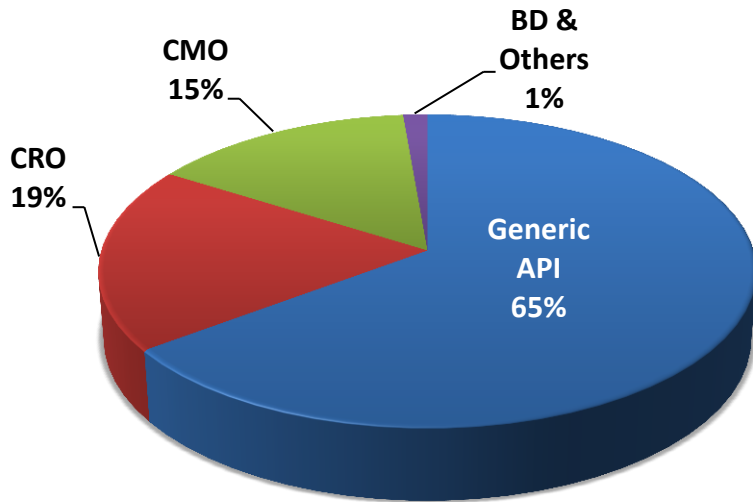


Operating Results

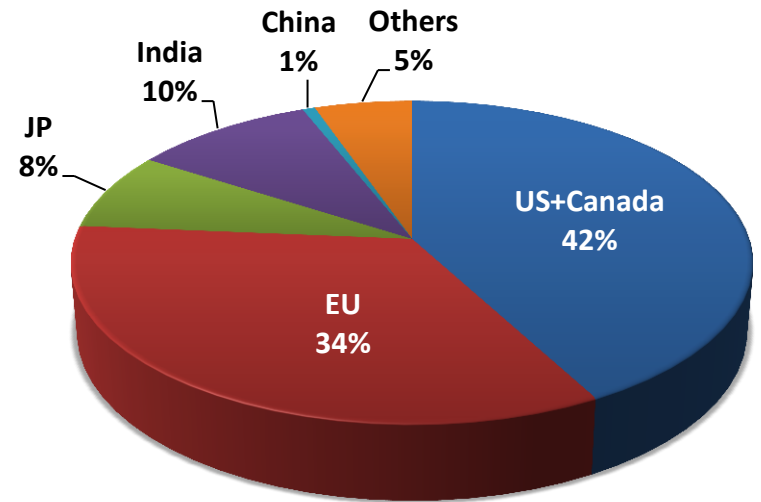
Consolidated Income Statement

In TWD Million, except for EPS	2018 (Audited)		YoY	2017 (Audited)	
Revenue	3,524	100%	0.2%	3,516	100%
Gross Profit	1,543	44%	-0.5%	1,550	44%
Operating Profit	558	16%	-0.1%	559	16%
Income before Tax	491	14%	3.2%	475	14%
Net Income	443	13%	4.9%	422	12%
EPS (NT\$)	0.56	-	-	0.53	-

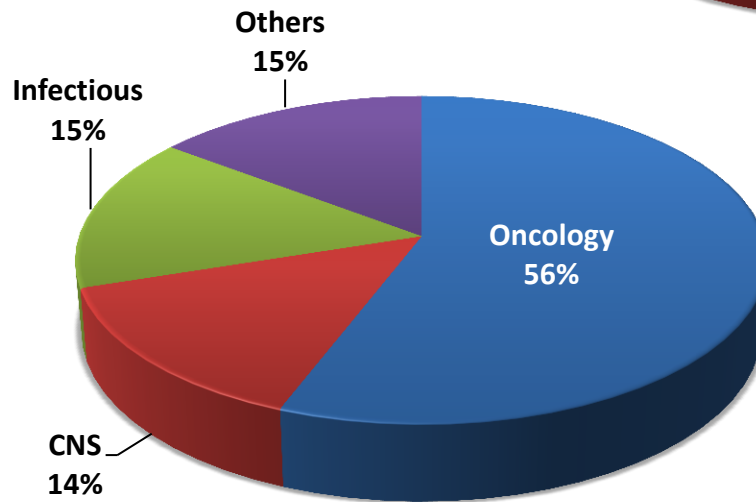
2018 Sales Distribution



by Business



by Region



by Indication

Sales Distribution - YoY

By Business

Unit: USD

	Generic API	CRO	CMO	BD & Others
2018 Sales	75.8M	22.4M*	17.2M*	1.6M
YoY	-5.6%	64.7%	10.4%	-75.4%

By Indication

	Oncology	Infectious	CNS	Others
2018 Sales	65.3M	17.9M	16.6M	17.2M
YoY	-14.2%	26.7%	44.3%	21.2%

By Region

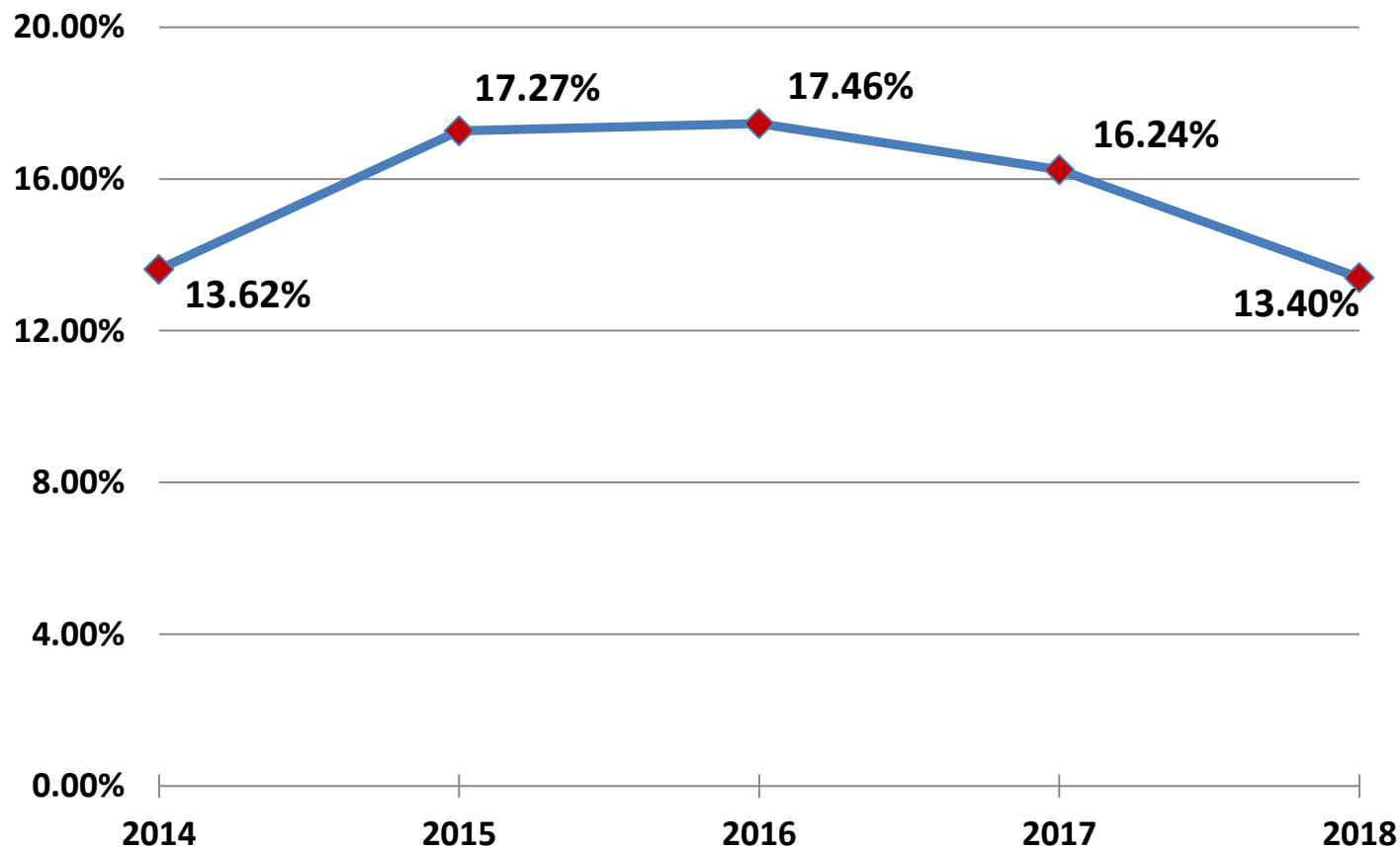
	US & Canada	EU	India	Japan	China	Others
2018 Sales	49.2M	40.1M	11.6M	9.1M	0.8M	6.2M
YoY	4.0%	18.4%	-9.8%	-9.9%	-76.3%	-26.8%

* Sales adjustment due to product reclassification between CRO & CMO

Consolidated Balance Sheet

In TWD Million	2018 (Audited)		2017 (Audited)	
Cash and Cash Equivalents	4,203	34%	3,911	31%
Accounts Receivable	559	4%	567	4%
Inventories	1,364	11%	1,675	13%
Property, Plant & Equipment	4,759	38%	5,089	40%
Other Current/Non-Current Assets	1,678	13%	1,459	12%
Total Assets	12,563	100%	12,701	100%
Financial Debt	1,412	11%	1,692	13%
Other Current Liabilities	534	4%	521	4%
Other Non-Current Liabilities	78	1%	71	1%
Total Liabilities	2,024	16%	2,284	18%
Total Shareholders' Equities	10,539	84%	10,417	82%

Financial Debt - to - Equity Ratio



Financial Debt - to - Equity Ratio = Total Financial Debt / Total Equity

Consolidated Cash Flow Statement

In TWD million	2018 (Audited)	2017 (Audited)
From Operating Activities	1,231	972
From Investing Activities	(300)	(437)
Financial asset measured at amortized cost	(179)	0
Capital expenditure	(123)	(402)
From Financing Activities	(627)	(314)
Effect of foreign exchange rate changes	(12)	(17)
Net Change in Cash	292	204
Beginning Balance	3,911	3,707
Ending Balance	4,203	3,911



Q & A



Brand Quality with Asian Advantages

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