



Cosmo and 3SBio Announce Signing of License Agreement for Winlevi® in China

Ad hoc announcement pursuant to Art. 53 LR

Dublin, Ireland & Shenyang, China – 28 July 2022: Cosmo Pharmaceuticals N.V. (SIX: COPN, XETRA: C43) (“Cosmo”) and 3SBio (1530.HK) today announced the signing of a License Agreement for Winlevi® (clascoterone) cream 1% in Mainland China, Taiwan, Hong Kong and Macao (“Greater China”).

Winlevi® has been approved by the United States Food & Drug Administration (FDA) as a novel drug with a unique mechanism of action for the topical treatment of acne in patients 12 years and older. It is the first in class topical androgen receptor inhibitor that tackles the androgen hormone component of acne and is the first new mechanism of action in acne approved by the FDA in 40 years. Winlevi® was launched in the US in November 2021 by Sun Pharma and is already the most prescribed branded topical acne drug in the US based on IQVIA data. About 10,000 US physicians have prescribed Winlevi® to date. According to the prescriptions generated, Winlevi® has been one of the most successful US launches in the topical acne space in the last 15 years.

Acne, a chronic inflammatory skin disease, is one of the most common reasons patients visit a dermatologist. The major product classes predominantly used to treat acne have been available for nearly 40 years. According to “2019 China Acne Treatment Guidance”, over 95% of Chinese are suffering from acne in various degrees. Among them, the proportion of patients suffering from acne scars ranges from 3% to 7%, causing physical and psychological damage to the patients. Data from Frost & Sullivan’s market report shows that more than 100 million young people aging from 10 to 25 years old suffered from acne in China in 2018. However, acne treatment rate remains at very low level, and there lacks effective treatment. Androgen receptor inhibitors represented by Winlevi® are very likely to provide a new treatment for billions of Chinese acne patients, showing huge market potential in Greater China.

Under the terms of the License agreement, 3SBio will receive from Cassiopea, a subsidiary of Cosmo, the exclusive right to develop and commercialize Winlevi® in Greater China. Cosmo will be the exclusive supplier of the API for the term of the agreement and for the finished product for the initial commercialization period until such time as manufacturing has been transferred to 3SBio for sale in Greater China. Cosmo will receive an upfront payment of US\$ 6.5 million, potential development and sales milestones totaling up to US\$ 63.5 million and customary ascending high single digit or double-digit royalties on net sales. The agreement also includes a right of first refusal for an exclusive license for Breezula®, a phase III ready asset (clascoterone 7.5% solution) to treat alopecia in Greater China.

Diana Harbort, President of Cosmo’s Dermatology Division, said: *“We are very pleased to partner with 3SBio. They have strong established dermatology expertise in China which gives us great confidence in their ability to develop, gain regulatory approval and commercialize Winlevi® in one of the most important pharmaceutical markets in the world. Winlevi® performance in the US provides conviction for the opportunity to now expand the business to other geographic territories around the world.”*

Dr. Lou Jing, Chairman and Chief Executive Officer of 3SBio, commented: *“We are glad to reach a commercial cooperation with Cosmo. Acne and hair loss are a wide range of diseases troubling young and middle-aged Chinese people. 3SBio always focuses on providing safe and effective drugs to satisfy Chinese people’s demand for health. The company has accumulated extensive marketing channels and high-quality clients in skin and hair fields. We hope the products from Cosmo would be fully valued in China, while enriching our pipelines in dermatology.”*

About Cosmo

Cosmo is a pharmaceutical company focused on developing and commercialising products to treat selected gastrointestinal disorders, to improve endoscopy quality measures through aiding the detection of colonic lesions and to treat selected dermatological conditions. Cosmo develops and manufactures products which are distributed globally by selected partners including Lialda®, Uceris®/Cortiment® and Winlevi®. Cosmo has also developed medical devices for endoscopy and has a partnership with Medtronic for the global



distribution of GI Genius™ which uses artificial intelligence to help detect potential signs of colon cancer. Cosmo has licensed Aemcolo® to Red Hill Biopharma Ltd. for the US and has licensed Relafalk® to Dr. Falk GmbH for the EU and other countries. The company also has a rich development pipeline. For additional information on Cosmo and its products please visit the Company's website: www.cosmopharma.com

About 3SBio

3SBio is a leading bio-pharmaceutical company integrating research and development (“R&D”), production and sales, with a focus on improving the life quality of patients with high-quality medicines to benefit human health. At present, the Company owns more than 100 national invention patents and has launched more than 30 kinds of products into the market, covering several treatment fields, including, among others, cancer, autoimmune, kidney disease, metabolism and dermatology. The Company owns four R&D centers of the National Engineering Research Center of Antibody Medicine and dual platforms for biopharmaceutical and chemical medicine. There are 34 kinds of products under R&D, 24 kinds of them are the national new drugs. The Group also owns five production bases complying with the GMP standards. In the future, 3SBio will continue to uphold the concept of “Care for Life, Cherish Life, Create Life” to create a world-leading biopharmaceutical company in China. Please visit www.3sbio.com for additional information.

Upcoming Calendar of Events

Half-Year 2022 Report	July 28, 2022
Commerzbank and ODDO BHF Conference	September 6-8, 2022
Investora Conference, Zurich	September 21, 2022
Credit Suisse Equity Forum Switzerland	November 15-17, 2022
Jefferies 2022 London Healthcare Conference	November 15-17, 2022
Deutsches Eigenkapitalforum, Frankfurt	November 28-30, 2022

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