



ANSWERS FOR CANCER

## Genetron Health Announces Exclusive Strategic Partnership with Sino Biopharm Subsidiary for HCCscreen™ in China

January 6, 2021

*Chia Tai Tianqing Pharmaceutical Group Co. Ltd., a subsidiary of Sino Biopharm, has a leading liver drug franchise with a major presence in liver disease hospitals in China*

*Genetron Health anticipates that commercialization and revenue growth of HCCscreen™ will accelerate in China*

NANJING, China--(BUSINESS WIRE)--Jan. 6, 2021-- Genetron Holdings Limited ("Genetron Health" or the "Company") (Nasdaq: GTH), a leading precision oncology company in China that specializes in offering molecular profiling tests, early cancer screening products and companion diagnostics development, and Chia Tai Tianqing Pharmaceutical Group Co., Ltd. ("CTTQ"), a subsidiary of Sino Biopharmaceutical Limited ("Sino Biopharm") (HKEX: 1177), today announced an exclusive strategic partnership agreement for HCCscreen™, Genetron Health's blood-based early screening test for hepatocellular carcinoma ("HCC") in China. This partnership targets the hospital market in China, with a focus on combatting liver disease, and marks Genetron Health's third key commercialization initiative of HCCscreen™ in the country, complementing its existing sales and marketing strategies through public health programs and medical examination centers.

Under the agreement, the companies will work together exclusively to co-market and co-promote HCCscreen™ in the hospital market, covering designated territories in China. The parties intend to target high-risk individuals for HCC, which include HBV-positive carriers, as well as other liver disease patients. CTTQ brings an experienced sales force and valuable hospital relationships to the partnership, while Genetron Health provides manufacturing and laboratory operations for its innovative product, HCCscreen™, along with its direct-to-consumer marketing expertise. Genetron Health will pay CTTQ a promotional fee based on a percentage of revenues generated from the collaboration. Contingent on certain sales and other requirements, the exclusivity period is expected to last three years. As a result of the agreement, Genetron Health expects HCCscreen™ revenues to further accelerate in China.

Sino Biopharm is one of the leading biopharmaceutical companies in China, with therapeutic areas spanning liver disease, oncology, orthopedics, infectious, respiratory, and cardiovascular and cerebrovascular diseases. Sino Biopharm recorded sales exceeding RMB 24 billion in 2019, of which liver drugs accounted for almost a quarter. CTTQ is Sino Biopharm's largest subsidiary, which focuses primarily on liver disease and oncology drugs R&D and manufacturing. In China, CTTQ had over 35% market share based on total hepatitis antiviral drug sales in 2018, according to IMS. In addition, CTTQ has a sales team of over 7,000 representatives and a network of over 2,000 general and liver disease-focused hospitals. Designated as a national key high-tech enterprise, CTTQ spends around 10-12% of revenues annually on research and development.

"We are excited to partner with Genetron Health as both companies are committed to developing innovative products for liver disease and oncology. HCCscreen™ presents an attractive opportunity to us because of its target uses in high-risk individuals for the early detection of HCC," said Eric Tse, Chairman of CTTQ. "We believe that our specialty, capabilities and network in the liver disease market represent a major sweet spot for this product. And more importantly, we are excited to introduce an innovative product that can potentially alleviate the heavy burden on liver cancer patients in China."

"Genetron Health strives to innovate while continuing to explore the commercialization roadmap for our products. For HCCscreen™, we have achieved success in expanding sales channels through medical examination centers and government procurement projects. Today's announcement marks a new channel focusing on the hospital market, and represents the third key commercialization initiative we have embarked on. CTTQ is an ideal partner for HCCscreen™ because of its liver drug franchise and significant sales and marketing strengths. We expect this strategic partnership to bring us closer to our goal of lowering liver cancer-related death rates in China," said Sizhen Wang, co-founder and CEO of Genetron Health.

### About HCCscreen™ and Liver Cancer

In September 2020, Genetron Health received the U.S. Food and Drug Administration ("FDA")'s Breakthrough Device designation for HCCscreen™, and the product has been commercialized recently as a lab developed test ("LDT") in China.

Globally, liver cancer is the fourth most common cause of cancer-related death and the sixth in terms of incidence<sup>1</sup>. China represents the largest market, accounting for almost half of the global incidences. New incidence in China was estimated to be around 393,000 per year, with 369,000 deaths<sup>2</sup>. Market data by Frost and Sullivan estimated that as of 2019, among the 120 million high risk liver cancer population in China, around 74 million were HBV carriers.

Powered by Genetron Health's innovative and proprietary Mutation Capsule™ technology, which enables detection of multiple methylation alterations in parallel with mutations in cell-free DNA from peripheral blood specimens, HCCscreen™ is currently being tested in its ongoing prospective study with 4,500 HBsAg+ individuals in HCC. As of the date of this announcement, 2,000 patients have already completed the study, and preliminary data from 297 patients at one center has demonstrated over 92% sensitivity, 93% specificity, compared to 67% and 99%, respectively in the ultrasound plus alpha-fetoprotein (AFP) arm. HCCscreen™ also achieved a 35% positive predictive value and 99.6% negative predictive value. Furthermore, stratifying by tumor sizes, of the 12 patients identified with HCC in the preliminary dataset, seven patients had tumor sizes of less than 3 centimeters, and HCCscreen™ successfully detected them all, indicating its ability in detecting early-stage HCC.

In November 2020, Genetron Health announced that HCCscreen™ was selected by the National Cancer Center and Wuxi municipal government in China for use in the "Liver Cancer Early Screening Comprehensive Prevention and Control Project", a public health initiative (the "Project"). The goal of the Project is to increase the awareness of liver cancer early screening, and to become a pilot city model in China. For the Project, Wuxi is

committed to administering 150,000 tests over a period of three years.

### **About Genetron Holdings Limited**

Genetron Holdings Limited (“Genetron Health” or the “Company”) (Nasdaq: GTH) is a leading precision oncology platform company in China that specializes in cancer molecular profiling and harnesses advanced technologies in molecular biology and data science to transform cancer treatment. The Company has developed a comprehensive oncology portfolio that covers the entire spectrum of cancer management, addressing needs and challenges from early screening, diagnosis and treatment recommendations, as well as continuous disease monitoring and care. Genetron Health also partners with global biopharmaceutical companies and offers customized services and products. For more information, please visit [ir.genetronhealth.com](http://ir.genetronhealth.com).

### **About Sino Biopharm and CTTQ**

Listed on the Hong Kong Stock Exchange in 2000, Sino Biopharm is one of the leading biopharmaceutical companies in China with therapeutic areas spanning across liver disease, oncology, orthopedics, infectious, respiratory, and cardiovascular and cerebrovascular diseases. The company recorded sales exceeding RMB 24 billion in 2019, in which liver drugs accounted for almost a quarter of its sales. Sino Biopharm was ranked 42<sup>nd</sup> in “Pharm Exec’s Top 50 Companies 2020”<sup>3</sup>, an annual ranking of global pharmaceutical companies based on its revenue level, in which the company is one of the few Chinese companies that are included on the list. The company was also named one of “Asia 200 Best Over a Billion”<sup>4</sup> in 2019 by Forbes Magazine, representing the only Chinese biopharmaceutical company selected.

CTTQ is Sino Biopharm’s largest subsidiary, which focuses primarily on liver disease and oncology drugs R&D and manufacturing. Based on 2018 IMS data on total hepatitis antiviral drug sales in China, CTTQ had over 35% market share. CTTQ has a sales team of over 7,000 representatives and a network of over 2,000 general and liver disease-focused hospitals in China. As a national key high-tech enterprise, the company spends around 10-12% of revenues annually in R&D. CTTQ also has five R&D and manufacturing facilities in China.

### **References:**

1. Villanueva, A. Hepatocellular Carcinoma. N. Engl. J. Med. 2019, 380, 1450–1462.
2. Globocan 2018. <https://gco.iarc.fr/today/data/factsheets/populations/160-china-fact-sheets.pdf>. Information on this website is not incorporated into this update and should not be considered part of this update. We have included any website as an inactive textual reference only.
3. <https://www.pharmexec.com/view/pharm-execs-top-50-companies-2020>
4. <https://www.forbes.com/asia-over-billion/list/>

### **Safe Harbor Statement**

This press release contains forward-looking statements within the meaning of federal securities laws, including statements regarding the potential benefits and collaborations under the partnership with CTTQ, which involve risks and uncertainties that could cause the actual results to differ materially from the anticipated results and expectations expressed in these forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. Statements that are not historical facts, including statements about the Company’s beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties, and a number of factors could cause actual results to differ materially from those contained in any forward-looking statement. In some cases, forward-looking statements can be identified by words or phrases such as “may,” “will,” “expect,” “anticipate,” “target,” “aim,” “estimate,” “intend,” “plan,” “believe,” “potential,” “continue,” “is/are likely to” or other similar expressions. Further information regarding these and other risks, uncertainties or factors is included in the Company’s filings with the SEC. All information provided in this press release is as of the date of this press release, and the Company does not undertake any duty to update such information, except as required under applicable law.

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