



CHINA'S LIFE SCIENCE INDUSTRY 07-09/16

Dear Friends and Colleagues,

A recent Bloomberg [report](#) details China's "shopping spree" of more than \$5.2 billion of overseas health-care acquisitions since the beginning of this year. This growth, a fifteen-fold increase since 2012, is another milestone in China's healthcare-industry's development.

For years, China had limited itself to in-licensing foreign technologies. Now, we are witnessing not only the rapidly increasing quality and quantity of local innovation but also the maturation of parts of the industry which now aims to become a global player and to push the competition of multinationals back into their own field.

With these exciting developments, we would like to wish you and your loved ones Shanah Tovah - a happy Jewish New Year (5,777) and Chinese National Day.

Eyal Harel

CEO-Global

NEWS FROM THE INDUSTRY

Hua Medicine Successfully Completes Phase 2 Trial of Novel GKA Diabetes Drug

On September 22, 2016, Shanghai-based Hua Medicine, announced the successful completion of its Phase II clinical trial for HMS5552, a novel 1st-in-class Glucokinase Activator (GKA) for the treatment of diabetes. The Proof-of-Concept clinical study was conducted in 22 leading hospital centers across China and was led by Professor Dalong Zhu, President-elect of the Chinese Diabetes Society.

The Phase II clinical trial included 258

Chinese Type 2 Diabetes patients participating in the drug treatment study. In this double blind, placebo controlled, randomized Phase II study, patients received pre-specified oral doses of either active drug or placebo for 12 weeks with the goal of improving patients' HbA1c levels as the primary treatment end-point. Improvements in laboratory markers of plasma glucose control and beta-cell function were secondary end-points of the trial.

Innovent Biologics Receives CTA for its anti-PD-1 Antibody

Innovent Biologics, a company based in

Suzhou, China, focuses on developing high quality antibody drugs to treat human diseases including cancer, autoimmune disease and ophthalmology. On September, 12, 2016 it announced that it has received clinical trial application approval from the China Food and Drug Administration (CFDA) to conduct clinical trials in China with its investigational agent IBI308, a fully human anti-PD-1 antibody, for the treatment of advanced solid tumors. IBI308 has some distinct features that may differentiate it from other commercially available and clinical stage anti-PD1 antibodies.

iCarbonX Acquires Israeli AI Company and Sets up AI R&D Center in Israel

iCarbonX, the developer of a data collection, biotechnology and artificial intelligence platform of life-time data, announced on September, 10, 2016 the establishment of iCarbonX-Israel and the acquisition of Imagu Vision Technologies, a privately-held Israeli image understanding and artificial intelligence company. Financial terms of the transaction have not been disclosed.

Founded in 2005, Tel Aviv-based Imagu Vision Technologies has developed cutting-edge image understanding technologies applied to various industries, such as healthcare, medical imaging, semiconductors, homeland security, and e-commerce. Imagu's technology enables object recognition in multiple domains by combining knowledge from different worlds of content to solve complex object detection challenges.

Based on genetics, molecular profile, phenotype and behavior data from a large number of individuals, iCarbonX R&D alliances are designed to build a digitalized human model to understand an individuals' life, predict future trends and infer suitable health-improving actions in a personalized manner.

BioLineRx and I-Bridge Capital Establish a New Drug Development Joint Venture in China

August 25, 2016. BioLineRx Ltd., a clinical stage biopharmaceutical company dedicated to identifying, in-licensing and developing promising therapeutic candidates, announced that it has established a joint venture (JV) with I-Bridge Capital, a Chinese venture capital fund focused on developing innovative therapies in China. The joint venture, named iPharma, will develop innovative clinical and pre-clinical therapeutic candidates originating primarily in Israel to serve the Chinese and global healthcare markets.

Under the terms of the JV agreement, each partner will provide seed capital of one million dollars to the venture. BioLineRx will screen and identify promising early-stage drug candidates with emphasis on therapeutic indications that are of special interest for the Chinese population. These therapeutic candidates will then be in-licensed by iPharma for further development and commercialization in China and possibly in other countries as well. After a critical mass of in-licensed projects is reached, iPharma intends to raise additional funds

from Chinese investors to accelerate further development activities.

Ark Biosciences Starts Phase II Trial of Novel RSV Treatment

Shanghai-based Ark Biosciences announced the beginning of its global Phase II trial of AK0529, a novel treatment for respiratory syncytial virus (RSV) on Aug. 17, 2016. RSV is a common infection among infants, and although usually not serious, it is the leading cause of hospitalization in infants under the age of one. The orally administered drug specifically inhibits RSV replication by blocking viral entry and syncytium formation, the latter a unique viral transmission and cell-cell fusion phenomenon which gives the virus its name. Ark Biosciences in-licensed the global rights to ARK0529 from Roche two years ago.

Hengrui Received Approval for Clinical Trial in China for Autoimmune Drug

Shanghai Hengrui Pharmaceutical Co., Ltd. has received a clinical trial application approval from the CFDA of its SHR-1314, a self-developed IL-17A, a humanized monoclonal antibody drug, mainly for the treatment of psoriasis and other suitable autoimmune disorders include Crohn's disease, multiple sclerosis (MS), asthma and rheumatoid arthritis (RA).

Fujifilm Licenses its Anti-Influenza Drug to Hisun Pharmaceutical

June 21, 2016. Fujifilm Corporation has signed a license agreement concerning

Favipiravir, an effective ingredient of its anti-influenza drug "Avigan Tablet 200mg", with China's Zhejiang Hisun Pharmaceutical Co., Ltd.

Under this agreement, Fujifilm grants Hisun Pharmaceutical a license to develop, manufacture and market the anti-influenza drug in China. Fujifilm will receive a lump-sum payment and royalties once the drug is successfully introduced to the market.

BeyondSpring Announces First Patient Enrolled in China in a Global Phase 3 Trial of Non-Small Cell Lung Cancer

BeyondSpring Pharmaceuticals, a clinical stage biopharmaceutical company focused on the development of innovative immuno-oncology cancer therapies, announced on August 15, 2016 that the first patient in the global Phase 3 trial of its lead immuno-oncology asset Plinabulin, was enrolled in China.

Plinabulin is in a global Phase 3 trial in 2nd and 3rd line non-small cell lung cancer (NSCLC) in combination with docetaxel. This trial is being conducted in the U.S. and China and is expected to enroll 440 patients in China, and 110 patients in the U.S. and other western countries.

MicRx Closes \$55 Million Series C Financing to Support Development of Next-Generation Antibiotic MRX-I

MicRx Pharmaceuticals, Inc. announced on September 26, 2016 the close of its \$55 million Series C financing.

Led by GP Healthcare Capital, the round

included new investors GP TMT Capital, 3E Bioventures Capital, and Delian Capital.

Funding from Series C financing will be used to continue development of MRX-I in both the United States and China. With the funds, the company expects to complete its Phase 3 trial using oral MRX-1 to treat complicated skin and skin structure infections (cSSSI) in China, complete one pivotal US Phase 3 trial with oral and intravenous formulations of the drug for the indication of acute bacterial skin and skin structure infections (ABSSSI) as well as file a Chinese NDA for cSSSI. The BFC group provided financial advice to MicuRx.

MRX-I is an oral, next generation oxazolidinone antibiotic drug targeting infections caused by multi-drug resistant Gram-positive bacteria, including methicillin-resistant *Staphylococcus aureus* (MRSA) and vancomycin-resistant enterococci (VRE).

For additional information please
refer to XinTech's website at:
www.xintechnologies.com

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