Profile

Sinovac

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How and when did your company start, and where are you located?

Sinovac was founded in 2001 in Beijing by our CEO, Mr Weidong Yin. He started the business by successfully developing the first proprietary inactivated hepatitis A vaccine in China. We are headquartered in Beijing. And we also have subsidiaries in Dalian, Liaoning province, and in Tangshan, Hebei province.

How many employees do you have, and how do you find/attract them?

There are 652 full-time employees as of December 31, 2012. The Company's leading position in the industry and its mission to supply vaccines to eliminate diseases have attracted many talents. As one of the leading companies in Chinese vaccine industry, working at Sinovac is attracting young talents. Sinovac is very much focused on training people through providing various opportunities to young people to help develop their potentials. And the Company is located in Beijing which gives us more chances to find the talents. Additionally, being a US listed company, besides the competitive HR and compensation policies in the industry, Sinovac has also set up the option plan to provide long-term incentive to the employees.

What are the main focus and platform technology(ies) of your company?

Sinovac is an integrated vaccine company, we focus on the research, development, manufacturing and commercialization of vaccines that protect against human infectious diseases including hepatitis A and B, seasonal influenza, H5N1 pandemic influenza (avian flu), H1N1 influenza (swine flu) and mumps, as well as animal rabies vaccine for canines. Besides the available products listed above, we also have a robust pipeline, including the EV71 vaccine against hand, foot and mouth disease, pneumococcal vaccines, rotavirus vaccine, varicella vaccine and human rabies vaccine. We have established our R&D technology platforms in both virus vaccine and bacterial vaccine.

Can you provide a short overview of your product pipeline?

Our pipeline products include EV71 vaccine against hand foot and mouth disease (HFMD), which is under the technological review process of the NDA filing, expected to be launched in 2014, and also include the pneumococcal vaccines, rubella vaccine and varicella vaccine which have submitted the clinical application to SFDA, moreover, we also have other vaccines for human in pre-clinical process.

Who is your competition, and what advantage(s) does your products/technology offer?

Hep A, Hep A&B and influenza vaccine are our current regular products on sale.

We are currently the only supplier of combined hepatitis A and B vaccine in China. For Hep A vaccine, we are mainly competing with local companies. We were used to compete with multinationals. However, most of foreign Hep A manufacturers ceased their supply of this vaccine, we are now only compete with local companies. However, for seasonal flu vaccine, we are competing with both local companies and foreign companies.

The guaranteed superior quality of the products, the well established sales team and network, the top after-sale service and the brand with good reputation accumulated through the years are our competitive advantages.

What were the "highlights" in your recent development of vaccines/immunotherapeutics?

We want to highlight EV71 vaccine against hand, foot and mouth disease, which is expected to be launched in 2014. This vaccine addresses an unmet medical needs in China, as well as in some Asian countries. In the recent years, a few millions of HFMD reported cases happened, with a few hundreds of fatal cases. Most of the severe cases and fatal cases are caused by enterovirus 71 or EV71. Unfortunately, there is no EV71 specific treatment solution and there is no preventive method either. The EV71 vaccine we are developing is to prevent human from being infected by this virus. Currently, the three phases of clinical trials have been completed, and it is under the technological review by China Food and Drug Administration. The primary target population for this product is children under 5 years old, which is around 80 million. This product is highly expected by parents and healthcare related governmental organization of the country. Our preliminary result from Phase III clinical trial shows efficacy rate of approximately 95%, which shows good immunogenicity and safety for Sinovac's EV71 vaccine.

What have been the most critical problems in developing products in your field, and how can your company's technology help overcome these problems?

To successfully develop a product and maintain the stable quality when enlarging the production scale from pilot production to large-scale production are both critical.

Sinovac has successfully developed hepatitis A vaccine, influenza vaccine, pandemic influenza vaccine and launched into the market, through which we have established a complete system for vaccine development, engineering, manufacturing, and quality assurance system. The team is well trained through hands on experiences to ensure the needed expertise exist when there is a new vaccine development program started.

What is your company's value proposition?

We aim to create value through providing good vaccines to eliminate human diseases.

What business development strategy do you pursue?

Our business strategy is to developing preventive vaccines to address unmet medical needs in China, as well as other developing countries.

How does your company attract partners?

Since the company's inception, Sinovac is solely relying on organic growth. The partnership is more focused on the research and development, as well as product export. Sinovac regards partnership as the other key element to ensure our success in long term and is willing to be open for more collaborations from now on. We believe Sinovac has established its China local knowledge in terms of vaccine R&D, local manufacturing, vaccine regulatory affairs and domestic sales and marketing and we would like to share with our potential partners for whom interested in the China market.

Who are your most important partners?

The most important partner for us is the China Centers for Disease Control and Prevention or China CDC. Our mission is to supply vaccines to eliminate diseases, and CDC's mission is to control and prevent diseases. Only the collaboration between vaccine supplier and CDC can realize the mission to prevent and control the diseases.

The China state CDC is responsible for establishing the strategy on vaccine use, and the provincial and municipal CDCs are responsible for

establishing the local strategy on vaccine use, and vaccine distribution and inoculation. Currently, all the vaccines are distributed to the points of vaccination or POV through CDCs.

How do you balance performing work in-house vs out-sourcing?

We performed most of the work in-house, except the clinical trials which are required to be conducted by the third party to test the vaccine we developed

We mainly rely on ourselves for carrying on vaccine R&D. At the same time, we also have some collaborations on vaccine quality assessment performed by the 3rd party. And for sales and marketing, we mainly depend on our in-house team, but in some areas with limited coverage, we collaborate with distributors. For international marketing, we totally depend on the local distributors to do the registration and sales in the target countries and areas.

What are your product development goals for the next 3 years?

After commercializing EV71 vaccine in 2014, we expect to initiate clinical studies on pneumococcal vaccines and other viral vaccines which are in IND review.

For more information, please visit:

<http://www.sinovac.com/>