

SHIELD THERAPEUTICS PLC

Investment Profile

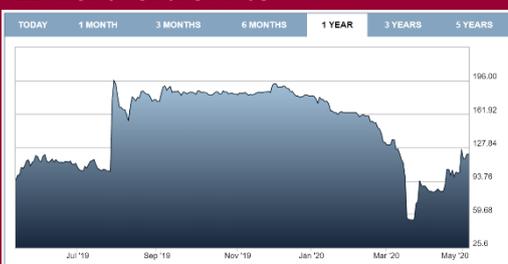
- De-risked, growing business
- Commercial stage
- Large market opportunities
- Cash runway extended to 2021
- Strong IP protection

Ticker (AIM listed) **STX**

Share Price	101p
Shares in issue	117.19m
Market Cap	£118.36m
12m Hi/Low	196/54p

(Source: The London Stock Exchange, May 2020)

12 Month Share Price



(Source; The London Stock Exchange, May 2020)

Major Shareholders (as of May 2020)

Name	%
W. Health L.P.	47.79
MaRu AG	10.69
Carl Andrew Sterritt	8.78
Blackrock Investment Mgt	4.32
Jupiter Asset Management	4.35
Christian Schweiger	3.52

(Source; company website)

Key Newsflow

- May:** Preliminary Results
- May:** Business and Trading Update
- Apr:** Directorate Change
- Mar:** AEGIS-H2H study update
- Mar:** Block Listing Application
- Jan:** Business and Trading Update
- Jan:** China License Agreement for Feraccru/Accrufer
- Aug:** 2019 Interim Report

Company Overview

Shield Therapeutics PLC (AIM: STX) is a de-risked, commercial stage, pharmaceutical company delivering innovative specialty pharmaceuticals that address patients' unmet medical needs, with an initial focus on iron deficiency with its approved product **Feraccru® / Accrufer®**.

Lead product

Feraccru® / Accrufer® is a novel oral treatment for iron deficiency in adults that offers a compelling alternative to IV Iron, for those patients intolerant of salt-based oral iron therapies. Iron deficiency is a common, poorly treated complication of a wide range of primary diseases, such as Inflammatory Bowel Disease (IBD), Chronic Kidney Disease (CKD), Congestive Heart Failure (CHF) and women's health. In a range of pivotal trials Feraccru®/Accrufer® has been proven to be a well absorbed and well tolerated treatment which can be taken without the need for hospital-based administration.



**FDA, EMA & Swiss
approved**

License Agreement secured in China

One of the world's largest & fastest growing prescription pharma markets

In January 2020, Shield entered into an exclusive licence agreement for Feraccru®/Accrufer® with Beijing Aosaikang Pharmaceutical Co. Ltd ('ASK Pharm') in China, Hong Kong, Macau and Taiwan ('The Territory'). Alongside the financial terms of the licence, the agreement will see ASK Pharm undertake and pay for all activities to achieve marketing authorisation and then commercialisation for Feraccru®/Accrufer® in the Territory.

Deal Highlights:

- US\$11.4 million upfront licence payment to Shield
- Up to US\$51.4 million in development and sales milestones
- Ongoing tiered double-digit royalties on net sales payable to Shield

ASK Pharm is an integrated pharmaceutical enterprise and one of China's leading manufacturers of proton pump inhibitor and oncology medications. With a market cap of approx. CNY15 billion (US\$2.2 billion), 2018 sales revenues in China equivalent to more than US\$560 million and over 1,000 sales representatives, ASK Pharm is both well-resourced and very well positioned to capitalise on the Feraccru®/Accrufer® opportunity in China.

ASK Pharm's established product development and commercial infrastructure should speed up the regulatory approval process and drive subsequent sales.

www.shieldtherapeutics.com

Shield Therapeutics plc continued...

Update on the AEGIS-H2H Study

In March 2019 Shield announced that the AEGIS-H2H clinical trial, which was primarily designed to be used in health economic analyses, pricing and reimbursement applications, had delivered positive results, demonstrating that Feraccru®/Accrufer® as non-inferior to a market-leading intravenous iron therapy in treating iron deficiency anaemia in adults with inflammatory bowel disease.

In March 2020, Shield clarified that the AEGIS-H2H clinical study had not met its primary endpoint. The primary endpoint required achievement of non-inferiority at 12 weeks in both the "intention to treat" (ITT) and "per protocol" (PP) populations. Non-inferiority was not demonstrated in the ITT population and hence the overall study failed to meet its primary endpoint.

This clarification has no impact on existing marketing authorisations, nor on any approved prescribing information and the data was not used in the regulatory submissions that led to the approval of Feraccru®/Accrufer® in either Europe, the USA or Switzerland. Under the 2018 agreement, Shield has agreed to pay back the €2.5m milestone, which was originally paid by Norgine on the apparently successful outcome of the H2H study. Norgine remains committed to Feraccru® and continues to believe that it is an important advance in the treatment of iron deficiency.

Paediatric Clinical Development Programme

Shield plans to manufacture the liquid formulation required for the paediatric study in Q2 2020 but will probably not start the study until the coronavirus situation has eased.

FORCASTS (Source: Consensus forecasts compiled by Walbrook PR)

	DEC '19 (Actual)	DEC '20 (Est.)	DEC '21 (Est.)
Sales (£m)	0.7	10.5	6.5
EBITDA (£m)	(6.4)	2.5	(2.5)
PBT (£m)	(9.1)	0.6	(4.3)
EPS (p)	(5.55)	1.42	(3.41)



EXPERIENCED MANAGEMENT TEAM

Shield has an experienced management team with extensive expertise in the healthcare space. In April 2020, Carl Sterritt resigned as CEO with **Tim Watts** taking up the position of **CEO** after serving as CFO since August 2018. Tim has extensive biotech and Pharmaceutical experience, having previously been CFO of Oxford BioMedica PLC and Archimedes Pharma Ltd, preceded by 22 years at AstraZeneca.

Investment Case

- FDA, EMA and Swiss approved, revenue generating lead product sold by strong commercial partners
- Long patent life remaining for Feraccru®
- Significant interest to license Accrufer® for commercialisation in the USA which should bring upfront payments
- Development and commercialisation license agreement signed with ASK Pharm for China
- Continued growth in sales of Feraccru® in Germany and the UK during the first quarter of 2020
- No COVID-19 disruption so far

MEET SHIELD THERAPEUTICS

Shares Investor Evening - Webinar

Tim Watts, Chief Executive Officer, will present online at the Shares Spotlight webinar on Wednesday 3 June 2020. The event starts at 6.00pm and Tim will start presenting promptly at 6.05pm. Investors can register to attend here: <https://bit.ly/36AKJhe>

Proactive Investors One2One Investor Forum

Tim Watts, Chief Executive Officer, will present at the Proactive Investor webinar on Thursday 4 June 2020. Shield will be one of four companies presenting, with the webinar taking place from 6.00pm. Investors can register to attend here: <https://bit.ly/2TENUzq>