SciClone Pharmaceuticals

A Top US Specialty Pharma Company Leveraging China Market Growth Opportunities

NASDAQ: SCLN
Safe Harbor

This presentation contains forward-looking statements regarding expected financial results and expectations. Readers are urged to consider statements that include the words "may," "will," "would," "could," "should," "might," "believes," "estimates," "projects," "potential," "expects," "plans," "anticipates," "intends," "continues," "forecast," "designed," "goal," "unaudited," "approximately" or the negative of those words or other comparable words to be uncertain and forward-looking. These statements are subject to risks and uncertainties that are difficult to predict and actual outcomes may differ materially. These include risks and uncertainties relating to: the course, cost and outcome of regulatory matters, including future pricing decisions by authorities in China; the on-going regulatory investigations and expenses related thereto, including potential fines and/or other remedies; the Company’s ability to execute on its goals in China and on its objectives for revenue in fiscal 2014; the Company’s ability to implement and maintain controls over its financial reporting and effectively remediate any identified material weakness; the dependence of its current and future revenue and prospects on third-party license, promotion or distribution agreements, including the need to renew such agreements, enter into similar agreements, or end arrangements that the Company does not believe are beneficial; operating an international business; uncertainty in the prospects for unapproved products, including ProFlow® and Neucardin™, including uncertainties as to pricing and competition and risks relating to the clinical trial process and related regulatory approval process and the process of initiating trials at, and enrolling patients at, clinical sites; and the effect of changes in its practices and policies related to the Company’s compliance programs. SciClone cannot predict the timing or outcome of the ongoing SEC and DOJ investigations, or of the level of its efforts required to cooperate with those investigations, however, the Company has incurred substantial expenses in connection with the investigations and related litigation and expects to incur substantial additional expense, and the investigations could result in fines that exceed the minimum amount accrued and further changes in its internal control or other remediation measures that could adversely affect its financial results. Please also refer to other risks and uncertainties described in SciClone’s filings with the SEC. All forward-looking statements are based on information currently available to SciClone and SciClone assumes no obligation to update any such forward-looking statements.
SciClone Today: Earnings-Driven Specialty Pharma Company with Growing China Commercial Business

Revenue & Profitability Growth Track Record

• Solid well-established business fundamentals
• Continued top- and bottom-line growth potential
• Strong cash balance
• Excellent investment opportunity to participate in fast-growing China pharma market

Successful Products, Pipeline, Partnerships

• Marketed portfolio of in-licensed and proprietary products; well-stocked development pipeline
• Spans high growth markets: CV, ID, oncology
• Lead product ZADAXIN®: ~$100M product
• Reputation for high quality products compliant with Western manufacturing standards

Established Multinational Company

• Focus on high quality compliance and controls in US and China
• Experienced, high caliber China and US management teams
• Success in managing Chinese regulatory and commercial processes
• Strong market presence in China since 1996
SciClone Well-Positioned to Take Advantage of China Pharma Market Growth

- High quality compliance programs; focus on constant improvement

- Multiple opportunities to grow flagship product ZADAXIN
  - Expansion strategies: HBV, HCC, NSCLC, sepsis
  - Strengthen collaborations with stakeholders to support clinical, regulatory and marketing strategies, drive innovation and increase market penetration

- Newly-approved DCBead® has significant therapeutic and commercial potential in liver cancer, a major unmet medical need
  - Additional opportunity in colorectal cancer

- SciClone “wider/deeper” strategy in second-tier and rural areas
  - Increased consumer demand; broader access to health care services

- SciClone “wider/deeper” strategy in urban areas
  - Focus on scientific / academic programs
  - Physician education (especially for Aggrastat®)

- Strategic focus on strengthening cardiovascular franchise
Established Multinational Company
Ranking in Top Tier in China Market

- **US corporate headquarters: China operations report into US**
  - Experienced international management teams in US and China
  - Attracting leading local management talent in China
  - Strong commercial, regulatory, reimbursement capabilities

- **Compliance and financial controls policies are top-tier**
  - Focus on strict FCPA compliance
  - SEC-regulated, Sarbanes-Oxley compliance
  - US GAAP accounting standards
  - Continually improving policies, training and practices company-wide

- **Business practices and standards similar to multinational peers; superior to local companies**

- **Excellent reputation for high quality products compliant with Western manufacturing standards**
Product and Development Portfolios: Current and Future Market Leaders
SciClone Business Model Optimized to Benefit from China Pharma Market Growth

• Revenue diversification to drive top- and bottom-line growth
  • Proprietary: ZADAXIN is major growth driver
  • Promotion: restructuring to grow profitability
  • In-licensed:
    • DC Bead: near-term commercial opportunity in growing TACE market
    • Neucardin™, ProFlow® to drive long-term growth

• Product portfolio targets high growth, high value markets
  • Thymalfasins/TCM – ZADAXIN
  • Oncology
  • Cardiovascular

• 3 BU structure: streamlined sales-marketing organization focused on expanding market penetration
## Marketed Product Portfolio Spans Large, Growing Commercial Markets

<table>
<thead>
<tr>
<th>Company</th>
<th>Product</th>
<th>Use Case</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zadaxin</td>
<td>HBV, HCV, Cancer Adjuvant</td>
<td></td>
</tr>
<tr>
<td>Holoxan</td>
<td>Oncology</td>
<td></td>
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<tr>
<td>Mesna</td>
<td>Cancer Supportive Care</td>
<td></td>
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<tr>
<td>Endoxan</td>
<td>Oncology</td>
<td></td>
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<tr>
<td>Methotrexate</td>
<td>Oncology</td>
<td></td>
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<tr>
<td>Farlual</td>
<td>Oncology</td>
<td></td>
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<tr>
<td>Estracyt</td>
<td>Oncology</td>
<td></td>
</tr>
<tr>
<td>Aggrastat</td>
<td>Cardiovascular</td>
<td></td>
</tr>
<tr>
<td>DC Bead</td>
<td>Oncology</td>
<td></td>
</tr>
</tbody>
</table>
## Development Portfolio to Drive Long-Term Growth

<table>
<thead>
<tr>
<th>Product</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Neucardin™</strong></td>
<td>Recombinant peptide fragment of neuregulin-1 for chronic heart failure; licensed from Zensun</td>
</tr>
<tr>
<td><strong>Loramyc</strong></td>
<td>Miconazole lauriad mucoadhesive tablet for oropharyngeal candidiasis; licensed from ONXEO (formerly BioAlliance)</td>
</tr>
<tr>
<td><strong>ProFlow™</strong></td>
<td>Lipid emulsion-based formulation of prostaglandin E1 for peripheral arterial disease (PAD) licensed from Taiwan Liposome Company</td>
</tr>
<tr>
<td><strong>RapidFilm</strong></td>
<td>Oral film formulation of ondansetron, serotonin 5-HT3 receptor agonist used as anti-emetic agent for chemotherapy-induced nausea and vomiting; licensed from APR</td>
</tr>
</tbody>
</table>


ZADAXIN (日 达 仙) in China – Premium Brand with Significant Growth Potential

- Immune stimulator for immune-compromised patients
- Indications: HBV, HCV, certain cancers; vaccine adjuvant
- Proprietary to SciClone: registered in China 1996
- Award-winning anti-counterfeiting label
- High quality, imported premium brand thymalfasin
  - Thymalfasins continue to grow; ZADAXIN continues to lead in revenue and command highest share by revenue
  - Key advantage: high-quality Western manufacturing
  - Highly differentiated: no imported competitors
  - Potential to resume growth rate on par with China pharma market
ZADAXIN (日 达 仙) in China – Focus on Strategies to Drive Market Penetration and Demand

• Strengthened sales management and team

• Penetrate deeper and wider into hospital departments in markets with premium pricing

• Target growing tier 1 and 2 cities and smaller, rural areas

• Expand market uptake in large new markets
  • HCC: inclusion in MOH guidelines
  • General surgery: reduced antibiotic use
  • Sepsis: clinical efficacy shown; potential inclusion in MOH and clinical practice guidelines; explore Western market strategy
  • HBV: growing unmet medical need
  • Collaborate with academic/medical/regulatory/market stakeholders to reach new customers, decision-makers, physicians and patients, and drive market uptake
DC Bead: Newly Approved, Valuable Addition to SciClone’s Oncology Portfolio

• Approved August 2014 by CFDA for embolization of malignant hypervascularized tumors, such as hepatocellular carcinoma, most common form of primary liver cancer

• Embolic bead delivered through minimally invasive, non-surgical procedure (TACE) to block blood flow to tumors

• Licensed from BTG plc

• Majority of HCC patients have cirrhosis, usually from chronic HBV or HCV, or alcoholism

• China has one half of world’s HCC, due to high hepatitis incidence; 350K die annually

• To be commercialized by dedicated SciClone oncology sales and marketing team
Neucardin™ – Novel Therapy for Chronic Heart Failure

**Description**
- Novel, first-in-class therapeutic for chronic heart failure (CHF)
- Genetically engineered recombinant peptide fragment of neuregulin-1: improves cardiac function, reverses ventricular remodeling and increases survival of heart failure patients.
- Licensed from Zensun; NDA submitted 2012

**Commercial Opportunity**
- 5 million CHF patients in China
- Growing market driven by aging population, urbanization
- Current marketed drugs cannot reverse maladaptive remodeling
- Neucardin advantage: does not compete with existing therapies; can be included as part of comprehensive CHF treatment
ProFlow® – Novel Drug for Peripheral Arterial Disease (PAD)

**Description**
- Novel lipid emulsion-based formulation of prostaglandin E1 (PGE1)
- Based on TLC’s LDDS delivery system; potential to enhance therapeutic index
- Twice the shelf life of currently marketed lipid emulsion formulations of PGE1
- Licensed from TLC; China patent granted; ANDA submitted

**Commercial Opportunity**
- Large and growing market opportunity
- Prevalence of PAD in China:
  - ~ 5% of total population
  - Higher in patients >60 years (10 - 20%)
- Well perceived efficacy and good safety
- 80% of prostaglandin Rx’s represented by PGE1 (faster onset than orals)
- Current market leading PGE1 drug annual revenue >$200M
Path to Continued Earnings Growth and Value Creation
2010–2014 Revenue Trend

*Revenue guidance range: $130MM-$135MM
### 2010–2014 Revenue and Non-GAAP EPS Trend

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (MM)</th>
<th>Non-GAAP Basic EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$85</td>
<td>$0.50</td>
</tr>
<tr>
<td>2011</td>
<td>$133</td>
<td>$0.62</td>
</tr>
<tr>
<td>2012</td>
<td>$156</td>
<td>$0.67</td>
</tr>
<tr>
<td>2013</td>
<td>$127</td>
<td>$0.43</td>
</tr>
<tr>
<td>2014 Guidance</td>
<td>$133</td>
<td>$0.66</td>
</tr>
</tbody>
</table>

*EPS guidance range: $0.64 - $0.68*
## Balance Sheet

### (in millions)

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and Cash Equivalents</strong></td>
<td>$87.5MM</td>
<td>$87.0MM</td>
<td>$96.8MM</td>
</tr>
<tr>
<td><strong>Accounts Receivable</strong></td>
<td>$32.3MM</td>
<td>$35.8MM</td>
<td>$33.9MM</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$172.2MM</td>
<td>$177.5MM</td>
<td>$186.2MM</td>
</tr>
<tr>
<td><strong>Total Debt</strong></td>
<td>$1.6MM</td>
<td>$0.0MM</td>
<td>$0.0MM</td>
</tr>
<tr>
<td><strong>Total Shareholders’ Equity</strong></td>
<td>$148.5MM</td>
<td>$154.1MM</td>
<td>$160.2MM</td>
</tr>
</tbody>
</table>
Strategy to Create Shareholder Value: Stock Repurchase

1. As of 10/31/2014
2. $15M authorized new repurchase in July 2014
Strategy for Continued Sales and Profit Growth

• Build momentum for high-margin marketed portfolio in China
  • Successfully launch DC Bead 1H 2015
  • Drive ZADAXIN growth: new markets, new team, new indications
  • Develop future market leaders: Aggrastat

• Increase earnings
  • Establish additional profitable licensing and promotion agreements
  • Field force re-sizing and expense management to generate profits from promotion model
  • Opportunistic acquisition/in-licensing of branded products at profitable terms

• Advance late-stage pipeline to fuel long-term growth
  • Working with new partners Zensun (Neucardin) and TLC (ProFlow)