

Sosei Heptares to receive US\$3 million payment from Genentech on nomination of a new GPCR disease target

- Payment achieved as part of multi-target research collaboration and license agreement with Genentech, signed in July 2019
- Collaboration aims to discover and develop novel medicines that modulate G protein-coupled receptor (GPCR) targets across a range of diseases

Tokyo, Japan and London, UK, 9 October 2019 – Sosei Group Corporation ("the Company"; TSE: 4565) announces that it has been notified by its partner Genentech, a member of the Roche Group, of its desire to nominate a new G protein-coupled receptor (GPCR) disease target, which has triggered a US\$3 million payment to Sosei Heptares.

Sosei Heptares and Genentech entered into their collaboration and license agreement in July 2019 to combine the proprietary GPCR-focused structure-based drug design capabilities at Sosei Heptares with Genentech's discovery, development and therapeutic area expertise directed towards multiple GPCR targets nominated by Genentech.

The nominated targets represent promising new therapeutic intervention points across a range of diseases. Genentech will be responsible for developing and commercializing potential new medicines for each novel target and will have exclusive global rights to these agents.

The US\$3 million payment was included in the US\$26 million in upfront and near-term payments noted by Sosei Heptares in its announcement on the signing of the collaboration and license agreement.

Sosei Heptares is also eligible to receive future milestone payments from Genentech that may exceed US\$1 billion for achieving pre-specified research, development and commercialization events. In addition, the Company is eligible to receive royalty payments on the net sales of potential future medicines resulting from the collaboration.

Dr. Malcolm Weir, Executive Vice President and Chief R&D Officer of Sosei Heptares, said: "We are delighted that our collaboration with Genentech has rapidly nominated an additional GPCR disease target. This is a great example of how we can leverage our world leading GPCR expertise to quickly develop productive working relationships with our partners to deliver on key project milestones. We look forward to advancing this important collaboration as we capitalise on our complementary expertise to generate potential new drug candidates to GPCR disease targets."



PRESS RELEASE

About Sosei Heptares

We are an international biopharmaceutical group focused on the design and development of new medicines originating from our proprietary GPCR-targeted StaR® technology and structure-based drug design platform capabilities. We are advancing a broad and deep pipeline of novel medicines across multiple therapeutic areas, including CNS, immuno-oncology, gastroenterology, inflammation and other rare/specialty indications. Our leading clinical programs include partnered candidates aimed at the symptomatic treatment of Alzheimer's disease (with Allergan) and next-generation immuno-oncology approaches to treat cancer (with AstraZeneca). Our additional partners and collaborators include Takeda, Genentech, Novartis, Pfizer, Daiichi-Sankyo, PeptiDream, Kymab, MorphoSys. Sosei Heptares is headquartered in Tokyo, Japan with R&D facilities in Cambridge, UK.

"Sosei Heptares" is the corporate brand of Sosei Group Corporation, which is listed on the Tokyo Stock Exchange (ticker: 4565).

For more information, please visit <u>https://www.soseiheptares.com/</u> LinkedIn: <u>@soseiheptaresco</u> | Twitter: <u>@soseiheptaresco</u> | YouTube: <u>@soseiheptaresco</u>

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Forward-looking statements

This press release contains forward-looking statements, including statements about the discovery, development and commercialization of products. Various risks may cause Sosei Group Corporation's actual results to differ materially from those expressed or implied by the forward-looking statements, including: adverse results in clinical development programs; failure to obtain patent protection for inventions; commercial limitations imposed by patents owned or controlled by third parties; dependence upon strategic alliance partners to develop and commercialize products and services; difficulties or delays in obtaining regulatory approvals to market products and services resulting from development efforts; the requirement for substantial funding to conduct research and development and to expand commercialization activities; and product initiatives by competitors. As a result of these factors, prospective investors are cautioned not to rely on any forward-looking statements. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.