



Sosei subsidiary Heptares to Receive US\$12 Million Milestone Payment from AstraZeneca

-AZD4635 (HTL-1071), a novel adenosine A_{2A} receptor antagonist, reverses adenosine-mediated T-cell suppression and enhances anti-tumour immunity

-New preclinical results presented at AACR Annual Meeting

Tokyo, Japan –5 April 2017: Sosei Group Corporation (“Sosei”; TSE Mothers Index: 4565) reported that its subsidiary, Heptares Therapeutics (“Heptares”) has announced that it has achieved an important milestone in its immuno-oncology collaboration with AstraZeneca, which is focused on the development of AZD4635 (HTL-1071) as a potential new treatment for a range of cancers. As a result, Heptares has been notified today that the achievement has triggered a US\$12 million payment from AstraZeneca.

AZD4635 is a potent and selective, orally available, small molecule adenosine A_{2A} receptor antagonist discovered by Heptares and licensed to AstraZeneca in 2015.

The milestone was triggered by the successful completion of a preclinical programme that demonstrated a clear effect of AZD4635 in reversing adenosine-mediated T-cell suppression and enhancing anti-tumour immunity. Blockade of A_{2A} signalling with AZD4635 was found to reduce tumour growth when used alone and in combination with anti-PD-L1 checkpoint inhibitors. Results from this programme will be presented by scientists from Heptares and AstraZeneca in a poster ([abstract 5580](#)) today at the American Association of Cancer Research Annual Meeting (1-5 April, 2017; Washington, DC, USA).

AZD4635 is currently in a Phase 1 clinical trial as a single agent and in combination with AstraZeneca’s durvalumab (anti-PD-1L antibody) in patients with solid malignancies.

Tumour cells have evolved mechanisms to evade the immune system, including through the production of a natural anti-inflammatory molecule called adenosine. By stimulating A_{2A} receptors, adenosine prevents T-cells within the immune system from being activated and reduces their ability to destroy cancer cells. Blocking A_{2A} receptors can therefore promote the anti-cancer response of T-cells within the tumour microenvironment.

“The preclinical study results are very exciting and confirm that inhibition of A_{2A} signalling offers an attractive mechanism to treat cancers by preventing tumours from evading the immune system and making them susceptible to checkpoint inhibitors,” said Fiona Marshall, CSO of Heptares and Sosei. “We now look forward to the results from the first clinical study with AZD4635 around the end of the year.”

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Notes to Editors

About Heptares Therapeutics

Heptares is a clinical-stage company creating transformative medicines targeting G protein-coupled receptors (GPCRs), a superfamily of 375 receptors linked to a wide range of human diseases. Heptares' proprietary StaR® technology and structure-based drug design (SBDD) capabilities enable us to engineer and develop drugs for highly validated, yet historically undruggable or challenging GPCRs. Using this approach, we are building an exciting pipeline of new medicines (small molecules and biologics) with the potential to transform the treatment of Alzheimer's disease, schizophrenia, cancer immune-oncology, migraine, addiction, metabolic disease and other indications. We have partnerships for our novel candidates and technologies with leading pharmaceutical and biotechnology companies, including Allergan, AstraZeneca, Daiichi Sankyo, Kymab, MorphoSys, Pfizer and Teva.

Heptares is a wholly owned subsidiary of Sosei Group Corporation. For more information, please visit www.heptares.com and www.osei.com.

About Sosei

Sosei is a biopharmaceutical company originating from Japan but with global presence. Sosei's primary business model is based on identifying novel and/or differentiated product assets or technology platforms and, through supporting these in preclinical and clinical development and establishing commercial partnerships, advancing new medicines to patients worldwide.

For further information about Sosei, please visit www.osei.com/en.

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Forward-looking statements

This press release contains forward-looking statements, including statements about the discovery, development and commercialisation of products. Various risks may cause Sosei's actual results to differ materially from those expressed or implied by the forward-looking statements, including: adverse results in clinical development programmes; 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 commercialise 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 commercialisation 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.