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PRESS RELEASE

Sosei Heptares announces that Ultibro[®] Breezhaler[®] and Seebri[®] Breezhaler[®] launched in China for the treatment of COPD

Tokyo, Japan and London, UK, 22 March 2019 – Sosei Group Corporation (“the Company”; TSE: 4565) confirms that Ultibro[®] Breezhaler[®] and Seebri[®] Breezhaler[®] have been launched by Novartis in China for the treatment of chronic obstructive pulmonary disease (COPD). The Company, together with Vectura (LSE: VEC), exclusively licensed key intellectual property integral to the development of both products to Novartis in April 2005 and is eligible for royalties on global product sales.

Ultibro[®] Breezhaler[®] is an inhaled once-daily fixed-dose combination of indacaterol (a long-acting beta 2 agonist; LABA) and glycopyrronium bromide (a long-acting muscarinic antagonist; LAMA) and Seebri[®] Breezhaler[®] is an inhaled fixed-dose formulation of glycopyrronium bromide (a long-acting muscarinic antagonist; LAMA). Both products are approved and launched in over 90 countries worldwide, including the US, EU and Japan. Ultibro[®]Breezhaler[®] is the leading LABA/LAMA in Europe and continues to show continued global growth (+10% in FY2018 vs. FY2017), driven by positive FLAME and CLAIM clinical study results as well as the GOLD Strategy 2018 Report.

Both products will be promoted in China by Huizheng (Shanghai) Technology Co., Ltd. (“Huizheng”), a group company of Zhejiang Hisun Pharmaceutical Co., Ltd. (SHG: 600267) under license from Beijing Novartis Pharma Co., Ltd and Sandoz (China) Pharmaceutical Co., Ltd, both controlled subsidiaries of Novartis.

Huizheng has applied to include Ultibro[®] Breezhaler[®] and Seebri[®] Breezhaler[®] in the National Health Insurance Drug List.

COPD is the fourth leading cause of death in China¹, and affects nearly 100 million people in China². According to IMS, in 2017, the anti-asthma and COPD market was estimated to be ~RMB11.043bn (~US\$1.65bn) in China, and the sales of long-acting inhaled bronchodilators is ~RMB5.8bn (~US\$870m).

Shinichi Tamura, Chairman, President & CEO of Sosei Heptares, said: “We are delighted that Novartis has launched Ultibro[®] Breezhaler[®] and Seebri[®] Breezhaler[®] in China. In a large, nationally representative sample of adults aged 40 years or older, the estimated overall prevalence of COPD in China in 2014–2015 was 13.6%, indicating that this disease has become a major public-health problem. Strategies aimed at prevention and treatment of COPD are needed urgently.”³

¹ <http://www.nhc.gov.cn>.

² Wang C, Xu J, Yang L, et al. Lancet 2018; 391:1706–17.

³ Fang L, Gao P, Bao H, Tang X, Wang B, Feng Y et al. Lancet Respiratory Medicine 2018; 6: 421-430

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The effect of the launch on our consolidated financial results for the accounting period ending December 2019 has not yet been determined. After determination thereof, any material matters will be announced promptly.

– Ends –

About Sosei Heptares

We are an international biopharmaceutical group focused on the design and development of new medicines originating from its proprietary GPCR-targeted StaR® technology and structure-based drug design platform capabilities. The Company is advancing a broad and deep pipeline of partnered and wholly owned product candidates in multiple therapeutic areas, including CNS, immuno-oncology, gastroenterology, inflammation and other rare/specialty indications. Its 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 Novartis, Pfizer, Daiichi-Sankyo, PeptiDream, Kymab and MorphoSys. The Company is headquartered in Tokyo, Japan with R&D facilities in Cambridge, UK and Zurich, Switzerland.

“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 <https://www.soseiheptares.com/>

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Enquiries:

Sosei Heptares

Investor Relations and Corporate Communications

Shinichiro Nishishita, Yu Okada

+81 (0)3 5210 3399

IR@SoseiHeptares.com

Citigate Dewe Rogerson (for international media)

Mark Swallow, David Dible

+44 (0)20 7638 9571

SoseiHeptares@citigatedewerogerson.com

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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.
