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Sosei Heptares and GSK Enter Global Collaboration and License Agreement Targeting Immune Disorders of the Digestive System

- *Single-target agreement focused on small molecule agonists of GPR35, a genetically validated target for inflammatory bowel disease and other gastrointestinal immune disorders*
- *Sosei Heptares eligible to receive an upfront payment, research funding and potential near-term development milestones of up to £34 million (US\$44 million), potential downstream payments of up to £336 million (US\$437 million) and tiered royalties*

Tokyo, Japan and Cambridge, UK, 21 December 2020 – Sosei Group Corporation (“the Company”; TSE: 4565) announces it has entered into a global collaboration and license agreement with GlaxoSmithKline (“GSK”)¹. The single-target agreement is focused on the discovery and development of selective, oral, small molecule agonists of GPR35, an important orphan G protein-coupled receptor (GPCR) with genetic association to inflammatory bowel disease (IBD) and other gastrointestinal immune disorders, for which there remains significant unmet need for millions of sufferers worldwide.

Under the agreement, GSK licenses global rights to a portfolio of GPR35 agonists designed by Sosei Heptares using its StaR[®] technology and structure-based drug design (SBDD) platform. The licensed portfolio includes an advanced lead preclinical compound as well as multiple differentiated back-up compounds.

Sosei Heptares and GSK will collaborate on research and early preclinical development and GSK will lead clinical development, manufacturing and commercialization.

Sosei Heptares is eligible to receive an upfront payment, potential near-term development milestones and research funding of up to £34 million (US\$44 million²). The Company could receive additional development, regulatory and commercialization milestone payments, conditional on meeting those milestones, of up to £336 million (US\$437 million²). In addition, Sosei Heptares will be eligible to receive tiered, royalties on net sales of products resulting from the collaboration.

Shinichi Tamura, Chairman, President and CEO of Sosei Heptares, commented: “We continue to make great progress in leveraging our unparalleled SBDD capabilities and significant investment in translational biology and therapeutic area strategies to create targeted and differentiated small molecules with potential to address clear unmet needs in gastrointestinal and immune disorders. This approach has yielded multiple opportunities for generating value through our strategy of

PRESS RELEASE

drug discovery, early development and partnering. We are very pleased that GSK has the confidence to become our new partner on the GPR35 agonist program, which we created using this strategy. We are confident this will be a productive collaboration and that GSK's significant expertise in this important therapeutic area will support and drive the advancement of these novel agents through development."

John Lepore, Senior Vice President, Research at GSK, said: "Using genetics to prioritise potential treatments for a challenging immune disorder like IBD exemplifies the approach we are taking at GSK to develop novel transformative medicines. Sosei Heptares is a world leader with an established track record in GPCR drug discovery, so we are confident in our potential to jointly identify high quality clinical candidates to deliver important new medicines for the millions of patients who are waiting."

¹ Sosei Group Corporation's wholly owned subsidiary Heptares Therapeutics Ltd. entered into the agreement with GSK.

² GBP:USD currency conversion rate: 1.3

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About Sosei Heptares

We are an international biopharmaceutical group focused on the discovery and early 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 neurology, immunology, gastroenterology and inflammatory diseases.

We have established partnerships with some of the world's leading pharmaceutical companies, including AbbVie, AstraZeneca, Biohaven, Genentech (Roche), GSK, Novartis, Pfizer and Takeda and additionally with multiple emerging technology companies. Sosei Heptares is headquartered in Tokyo, Japan with corporate and R&D facilities in Cambridge, UK.

"Sosei Heptares" is the corporate brand and trademark of Sosei Group Corporation, which is listed on the Tokyo Stock Exchange (ticker: 4565). Sosei, Heptares, the logo and StaR[®] are trademarks of Sosei Group companies.

For more information, please visit <https://www.soseiheptares.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.