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## **Athersys and HEALIOS K.K. Announce Advancement of Their MultiStem Commercial Partnership**

*Improvements to Collaboration Enhance Preparations for Commercial Activity in Japan*

CLEVELAND, Ohio and TOKYO, Japan, August 5, 2021 (US Eastern Time)– Athersys, Inc. (NASDAQ: ATHX) and HEALIOS K.K. (Healios) (TSE Mothers: 4593) jointly announced today an expansion and deepening of their partnership to optimize and better align the collaboration structure to drive therapeutic reach and commercial success in Japan for the MultiStem® (invimestrocel) product following potential regulatory approval. The changes and new agreements reflect improved clarity regarding Japanese regulatory, manufacturing, and commercial requirements gained in recent years and better enable the optimal investments and efforts in manufacturing and commercialization. The agreements will facilitate the regulatory approval process for Multistem in Japan, prepare the companies for commercial manufacturing and supply and expand the overall scope of collaboration between the companies.

"We are happy to have reached this comprehensive agreement with Healios which strengthens the alignment, commitment, and motivation of both companies and improves the potential for MultiStem commercial success in Japan," stated Mr. William (B.J.) Lehmann, Jr., President, and Interim CEO of Athersys. "This is an important step for us as it brings us closer to achieving our first regulatory approval and providing supply for commercialization in a key market and meeting our goal of bringing life-saving therapies to patients worldwide."

Dr. Hardy TS Kagimoto, Chairman and CEO of Healios, commented, "We have come a long way in building a stronger, mutually beneficial, win-win partnership between Athersys and Healios. With the improved relationship and clarification of the roles, responsibilities, and incentives as reflected in the new agreements, we aim to accelerate the development, regulatory approval, and delivery of life-saving treatments for patients. We are committed to achieving our mission: 'Life Explosion!' by delivering cures for patients with unmet medical needs."

"I would like to compliment and express my appreciation to the boards and management of both Healios and Athersys for their dedication and commitment in working through challenging issues to achieve this important milestone for the benefit of patients dealing with severe medical issues such as acute respiratory distress syndrome and stroke and for the benefit of shareholders of both Athersys and Healios," added Dr. Ismail Kola, Chairman of the Board of Athersys, "This is truly a win-win enhancement to the partnership."

Key elements of the improved collaboration include:

- Providing Healios access to Athersys's manufacturing technology to enable Healios to manufacture MultiStem products, using a qualified manufacturer, for a potential commercial launch in Japan and allow Athersys to focus resources on advanced commercial manufacturing development.
- Clarifying Athersys's role in providing support services necessary for regulatory approvals, manufacturing readiness, and commercial launch in Japan.
- Sharing investment in commercial preparation and product supply through planned investment by Healios in certain manufacturing preparation activities and additional production capacity for Japan and, through deferrals and certain adjustments to financial terms of the license agreement, including milestones and royalties, during the early commercial phase.
- Expanding Healios' license in Japan to include two new additional indications under certain conditions to enable Healios to further leverage its investment in MultiStem while providing Athersys the opportunity for additional revenues from this market.
- Increasing alignment between the companies and creating incentives for accelerated execution and investment, through \$8 million in new milestone payments available to Athersys tied to certain Japan commercial manufacturing activities and the establishment of large scale manufacturing relevant to Japan, and through warrants issued to Healios to purchase up to a total of 10 million shares of Athersys common stock at a premium to the current market price and exercisable for 60 days following regulatory approval for ARDS and ischemic stroke, respectively.

**About Athersys:**

Athersys is a biotechnology company engaged in the discovery and development of therapeutic product candidates designed to extend and enhance the quality of human life. The Company is developing its MultiStem<sup>®</sup> cell therapy product, a patented, adult-derived "off-the-shelf" stem cell product, initially for disease indications in the neurological, inflammatory and immune, cardiovascular, and other critical care indications and has several ongoing clinical trials evaluating this potential regenerative medicine product. Athersys has forged strategic partnerships and a broad network of collaborations to further advance MultiStem cell therapy toward commercialization. More information is available at [www.athersys.com](http://www.athersys.com). Follow Athersys on Twitter at [www.twitter.com/athersys](https://twitter.com/athersys).

**About Healios:**

Healios is Japan's leading clinical-stage biotechnology company harnessing the potential of stem cells for regenerative medicine. It aims to offer new therapies for patients suffering from diseases without effective treatment options. Healios is a pioneer in the development of regenerative medicines in Japan, where it leverages its proprietary, gene-edited "universal donor" induced pluripotent stem cell (iPSC) platform technology to develop next-generation regenerative treatments across several domains. Healios combines its deep iPSC and gene editing expertise to make innovative engineered cell therapeutics including HLCN061, its functionally enhanced NK cell product candidate to treat solid cancer indications. Healios' near-term pipeline includes the somatic stem cell product HLCM051 (MultiStem), which is currently being evaluated in Japan in Phase 2/3 and Phase 2 clinical trials for ischemic stroke and acute respiratory distress syndrome, respectively. Healios was established in 2011, has over 140 people in its Tokyo and Kobe operations, and has been listed on the Tokyo Stock Exchange since 2015 (TSE Mothers: 4593). <https://www.healios.co.jp/en>.

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