

To: All Concerned Parties

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Business Overview of Pipeline Products (Fourth Quarter of the Fiscal Year Ended December 31, 2021)

Solasia Pharma K.K. (hereinafter “the Company”) today announced its Consolidated Financial Results for the Fiscal Year Ending December 31, 2021. The Company hereby supplements this information by providing notice of the status of its major pipeline products.

[Commercial Products]

Products Name (Pipeline Code)	Indication	Area	Pre-clinical	Clinical Study			NDA	Approval Launch	Progress	Out-licensed Partner (Region)
				P 1	P 2	P 3				
Sancuso® (SP-01)	Chemotherapy Induced Nausea and Vomiting (CINV)	China							Launched in 2019	Solasia (BJ,SH,GZ), Lee's Pharma (China w/o 3 cities)
episi® oral liquid (SP-03)	Pain associated oral mucositis [Medical Device]	Japan							Launched in 2018	Meiji Seika Pharma (Japan)
		China							Launched in 2019	Solasia (BJ,SH,GZ), Lee's Pharma (China w/o 3 cities)
		South Korea							Launched in 2020	Synex (South Korea)

[Pipelines Under Development]

Pipeline Code	Target Indication	Area	Pre-clinical	Clinical Study			NDA	Approval Launch	Progress	Out-licensed Partner (Region)
				P 1	P 2	P 3				
SP-02	Peripheral T-Cell Lymphoma (PTCL)	Japan							Submitted NDA	Nippon Kayaku (Japan)
		KR,TW, HK							Pivotal P2 study completion, preparation for NDA filing	HB Human BioScience (Latin America)
		China							Phase 2/3, preparation	
		US							Phase 2A, completion	
		EU							Phase 2/3, preparation	
SP-04	CIPN	Japan etc.						Pre-clinical in taxane-induced peripheral neuropathy	Maruho (Japan)	
SP-05	Colorectal Cancer	Japan						Global Phase 3 study	-	

1. Commercial Products:

➤ **Sancuso® (SP-01): Granisetron transdermal delivery system (Indication: Chemotherapy-induced nausea and vomiting)**

- The Company holds rights in China, etc. In China, the Company pursues direct sales and sales through its partner Lee's Pharmaceutical (HK) Limited (“Lee's”).

China - Current status

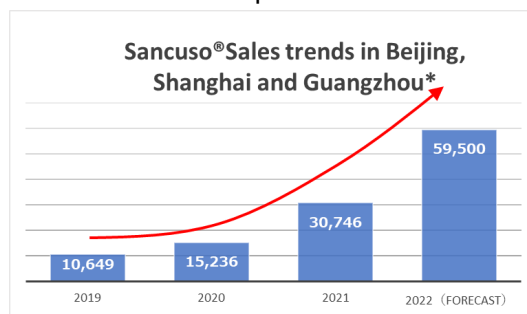
- The Company launched in March 2019.
- The first new Guideline was published by CSCO (China Society of Clinical Oncology), recommended Sancuso® as a new standard of care for CINV (Chemotherapy induced nausea and vomiting) treatment in June 2019.
- Sancuso® has been listed on the GPO (Group Purchasing Organizations) system in Guangzhou which is in-house sales area in October 2021.

Building of distribution channels in China;

- The Company has entered into a sales distribution agreement for China with Itochu Corporation ("Itochu") and has built sales channels utilizing Itochu and the Itochu Group.
- The Company is conducting sales in-house in Beijing, Shanghai, and Guangzhou, and builds the sales structure.
- In other parts of China, Lee's launched on the basis of sales and licensing agreements between the Company.
- The Company's direct sales partner is Itochu Group.



Sancuso® Chinese Product Package



*Shipment volumes to hospitals and pharmacies in regions where the Company conducts in-house sales (Beijing, Shanghai, Guangzhou)

➤ **episil® oral liquid (SP-03): The protection and relief of oral pain associated with oral mucositis/stomatitis caused by chemotherapy and radiotherapy for cancer (Indication: Oral mucositis/stomatitis caused by chemotherapy and radiotherapy)**

- The Company holds rights in Japan, China (including Hong Kong and Macau), and South Korea.

Japan - Current status

- Meiji Seika Pharma Co., Ltd. launched in May 2018, based on a license and collaboration agreement for episil®.

China - Current status

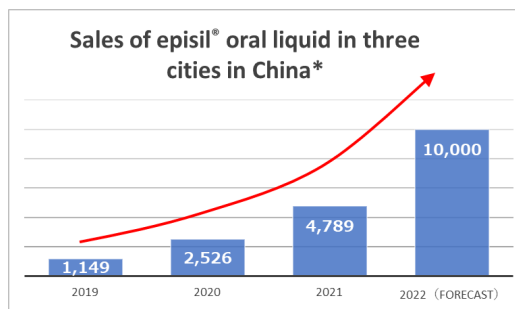
- The Company launched in July 2019.
- episil® is recommended for use in the first "Expert Guidelines on the Diagnosis and Prevention of Acute Oral Mucositis Caused by Antineoplastic Therapy" (OM Guidelines) in China which was officially released by CSCO in May 2021.

South Korea - Current status

- Synex Consulting Ltd. Launched in September 2020, based on a license and collaboration agreement for episil®.



episil® Japanese Product



*Shipment volumes to hospitals and pharmacies in regions where the Company conducts in-house sales (Beijing, Shanghai, Guangzhou)

Building of distribution channels in China;

- Same as Sancuso®, the Company has entered into a sales distribution agreement for China with Itochu and has built sales channels utilizing Itochu and the Itochu Group.
- The Company is conducting sales in-house in Beijing, Shanghai, and Guangzhou, and builds the sales structure.
- In other parts of China, Lee's launched on the basis of sales and licensing agreements with the Company.
- The Company's direct sales partner is Itochu Group.

2. Pipelines Under Clinical Development:

➤ **SP-02 (darinaparsin): Mitochondria-targeted apoptosis inducer** (Target Indication: Relapsed or Refractory Peripheral T-Cell Lymphoma)

- The Company holds worldwide rights.
- The Company out-licensed for marketing and other rights in Japan to Nippon Kayaku (entered a license agreement in October 2021) and rights in Latin America to HB Human BioScience SAS.

Current status

- This product achieved the primary endpoint (antitumor effect) in the Asian multinational phase II clinical study in patients with relapsed or refractory peripheral T-cell lymphoma in Japan, South Korea, Taiwan, and Hong Kong.
- The Company submitted a New Drug Application(NDA) to the Japanese regulatory authority in June 2021.

Plans

- The Company expects to obtain a regulatory approval in Japan and to launch in 2022.
- Other countries participating the Asian study, South Korea, Taiwan and Hong Kong are planning a NDA after obtaining market approval in Japan.

Line-Extension

- Currently, the Company is conducting non-clinical studies on other hematologic cancers (ATLL: Adult T-Cell Leukemia/Lymphoma, AML: Acute Myeloid Leukemia).

➤ **SP-05 (arfolitixorin): Increase in antitumor efficacy, folic acid compound** (Target Indication: Increase in antitumor efficacy of fluorouracil)

- The Company holds development and commercialization rights in Japan.

US&EU - Current status

- Global Phase III clinical study (AGENT study) in patients with advanced colorectal cancer is conducted in Japan, North America (US, Canada), Europe, and Australia.
- Based on the results of the interim analysis, the target number of patients for the AGENT study is set 440. Furthermore, the number of patients enrolled in the study reached 440 in December 2020.

Japan - Current status

- In August 2020, the Company obtained the development and commercialization rights for arfolitixorin in Japan from Isofol Medical AB.
- After obtaining rights for arfolitixorin, the Company took over the AGENT study in Japan.
- In May 2021, the AGENT study completed the recruitment of Japanese patients in accordance with the regulatory requirements by the PMDA (the Japanese Medicines Agency) to reach market approval in Japan.

Plans

- The Company expects the top line results for the AGENT study to be available during H1 FY2022, afterwards, expects to submit for NDA in H2 FY2022.

3. Pipelines Under Pre-Clinical:

➤ **SP-04 (PledOx®): Intracellular superoxide removing agent** **(Target Indication: Chemotherapy-induced peripheral neuropathy)**

- The Company holds rights in Japan, China (including Hong Kong and Macau), South Korea and Taiwan.
- The Company out-licensed marketing and other rights of PledOx® in Japan to Maruho Co., Ltd.

Current status

- The Company confirmed that the primary endpoint of the Global Phase III clinical trial of PledOx® targeting oxaliplatin-induced peripheral neuropathy conducted in Japan, South Korea, Taiwan and Hong Kong, in addition to the US and EU, had not been achieved in December 2020.
- Based on the results of the above-mentioned trial, the Company decided to park the development for a platinum-based agent, oxaliplatin-induced peripheral neuropathy; instead, is conducting additional animal studies to investigate the product's potential in targeting taxane-induced peripheral neuropathy.

4. New Drug Candidates:

➤ **Drug discovery business utilizes RNA editing technology**

- In 2019, the Company concluded a joint research and development agreement with EditForce, Inc., a biotech company originating from Kyushu University. For the Company, the initiative is a means of acquiring candidate products for long-term development. Specifically, it furthers the Company's plans to develop new gene therapy drugs in the field of oncology based on RNA editing technology.

➤ **Nucleic acid drug candidate for peritoneal metastases**

- In 2020, the Company entered an agreement with GeneCare Research Institute Co., Ltd ("GC") for exclusive negotiating rights (option rights) to

in-license their nucleic acid drug candidate RECQL1-siRNA and related technologies. GC discovered RECQL1-siRNA and related technologies based on technologies in-licensed from US company Alnylam Pharmaceuticals, Inc. (Nasdaq: ALNY), a world leader in RNA interference (RNAi) technologies.

- Based on development progress of the drug candidate from the non-clinical study stage onward, the Company will decide whether to exercise the option rights to in-license the drug candidate.

5. In-house sales structure in China:

In-house sales strategy

- Within China, the Company is conducting in-house sales and marketing activities for Sancuso[®] and episil[®] in Beijing, Shanghai, and Guangzhou, in the interest of maximizing profits from product sales and controlling fixed costs. As a result of marketing activities in 2019 and later, shipment volumes of these products have begun to increase.

Bases

- Solasia Medical Information Consulting (Shanghai) Co. Ltd., a wholly owned subsidiary, is taking charge of the Company's sales and marketing activities in China.
- The Company established the bases in Shanghai, Beijing and Guangzhou.

Organization of personnel

- The Company is conducting an in-house sales structure with a total of 40 medical representatives (MRs) in Beijing, Shanghai, and Guangzhou.

6. Impact of the COVID-19 pandemic on the Company's business activities and efforts to prevent the spread of infection:

Japanese business

- The Company adopted a telework system for all employees of the Tokyo office as of today.

Chinese business

- The COVID-19 pandemic significantly is restrained marketing activities of the Group's and sales partners' medical representatives (MRs), including their access to medical sites. This in turn has an impact on the prescription and delivery volumes of the products.

Product supply

- The Company's products are manufactured in Europe and the United States. At present, provision almost continues uninterrupted.

Clinical development

- The spreading pandemic is having a limited impact on clinical development activities. To ensure the safety of subjects and lessen the burden on the medical systems, visits to medical institutions by subjects and employees handling clinical studies have been curtailed to some extent, and we are utilizing online methods of communication instead.

Business alliances

- Restrictions on overseas travel are impeding discussions with potential alliance partners necessary for negotiations on in- and out-licensing. The Company is instead using online alternatives and working through local consultants.

Solasia

The Company is a specialty pharma company, specializing in the development and commercialization of products in the oncology field. In the United States, which is home to numerous successful biopharma venture companies, the majority of those companies post losses on a single-year basis. (According to research by Solasia Pharma, of the companies that make up the NASDAQ Biotechnology Index, 145 companies have market capitalization of more than ¥100 billion. Of those, 109 are posting operating losses as of January 31, 2022.) We believe that this situation exists because the market places more importance on making proactive upfront investments in promising drug development than on assessing such companies on the basis of their single-year gains and losses. At present, the Company is operating in accordance with this sort of business strategy. In addition to the operating results and other financial information in our earnings reports, we believe in the importance of disclosing to investors information about our key pipeline products to a certain level of detail. We have disclosed such information on this report.

Disclaimer:

The forward-looking statements, including earnings forecasts, contained in this press release are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Such statements should not be construed as representing commitments on the part of the Company. Please be aware that actual performance may differ for a variety of reasons. Major factors affecting the Company's actual performance include the economic conditions in which it operates, exchange rate fluctuations, the competitive situation and other factors. Information contained in this press release is for informational purposes only and should not be considered as investment solicitation. Information with regard to pharmaceuticals and medical devices (including products under development) is not provided for the purposes of advertising or medical advice. We do not have any obligation to update or revise any information in this press release, and any update or revision may occur anytime without notice.