PRESS RELEASE

Sosei Heptares Announces Submission of New Drug Application in Japan for Daridorexant (ACT-541468), a Dual Orexin Receptor Antagonist for the Treatment of Insomnia

- *NDA includes robust data from a Phase 3 trial that demonstrated efficacy of daridorexant on improving Total Sleep Time and Latency for Sleep Onset, while maintaining a favorable safety profile*
- *Sosei Heptares to receive JPY 1.5 billion milestone revenue in relation to the submission*

Tokyo, Japan and Cambridge, UK, 31 October 2023 – Sosei Group Corporation ("Sosei Heptares" or "the Company"; TSE: 4565) announces that Idorsia Pharmaceuticals Japan Ltd. ("Idorsia Japan"), a Sosei Group company, has submitted a New Drug Application ("NDA") to the Japanese Pharmaceuticals and Medical Devices Agency ("PMDA") for the approval of daridorexant (ACT-541468), a dual orexin receptor antagonist which has been co-developed with Mochida Pharmaceutical Co., Ltd. ("Mochida"), for the treatment of adult patients with insomnia.

The NDA is supported by positive results of a randomized, double-blind, placebo-controlled Phase 3 study in Japan to investigate the efficacy and safety of daridorexant. The study met both primary and secondary efficacy endpoints. Daridorexant significantly improved subjective Total Sleep Time ("sTST"), a primary endpoint defined as the change from baseline compared to placebo at 28 days ($p<0.001$ for 50 mg, $p=0.042$ for 25 mg). Daridorexant also significantly improved sleep onset as measured by a decrease in subjective Latency for Sleep Onset ("sLSO"), a primary endpoint defined as the change from baseline compared to placebo at 28 days ($p<0.001$ for 50 mg, $p=0.006$ for 25 mg). The rate of adverse events was comparable between placebo and daridorexant at both treatment doses. Treatment-emergent adverse events ("TEAEs") during the double-blind study period were reported in 23.5% and 22.7% of the patients treated with 50 mg and 25 mg daridorexant, respectively (24.4% for placebo).

Sosei Heptares gained Japan and Asia-Pacific (ex-China) rights to daridorexant from Idorsia Pharmaceuticals Ltd (Allschwil, Switzerland) in July 2023 in the context of its acquisition of Idorsia Japan and Idorsia Pharmaceuticals Korea Co., Ltd. Daridorexant was approved in the US and Europe in January and April 2022, respectively, and is marketed by Idorsia in these and other approved territories as QUVIVIQ™. In December 2019, Mochida and Idorsia Pharmaceuticals Ltd entered into an exclusive license agreement for the co-development and co-marketing of daridorexant for insomnia and related disorders in Japan. Under the agreement, Mochida and Idorsia Japan have jointly developed daridorexant and plan to co-market daridorexant pending Idorsia Japan receiving Japanese PMDA approval.

In relation to the filing of this NDA, Sosei Heptares will receive JPY 1.5 billion (US$10 million[1]). The milestone receipt will be recognized as revenue in the fourth quarter of the financial year ending 31 December 2023.

Makoto Uchiyama, M.D., Ph.D., medical advisor of the Japanese Phase 3 study, Director of Tokyo Adachi Hospital, Visiting Professor of Nihon University, and Visiting Professor of Toho University, commented: "Insomnia is highly prevalent in Japan and is recognized as an important national health issue. Patients with insomnia have trouble falling or staying asleep, as well as waking up earlier than desired, all of which lead to detrimental effects on both physical and mental health. Daridorexant is the first drug for a decade to have been clinically investigated in more than 100 centers in Japan and showed marked positive results in the studies. The Japanese Phase 3 trial showed that daridorexant increased total sleep time and shortened sleep latency in patients with insomnia without marked hangover symptoms the next morning, which clearly indicates its potency to improve core symptoms of insomnia. Such a promising outcome was likely due to the unique characteristics of the drug, a dual orexin receptor antagonist with an optimal elimination half-life."

Satoshi Tanaka, Dr Med Sci., President of Idorsia Pharmaceuticals Japan (a Sosei Group company), and Executive Officer and Executive Vice President of Sosei Heptares, added: "The team has worked rapidly to analyze the data and prepare the dossier for the PMDA so that we can bring daridorexant to patients as soon as possible. We will now work together with the authorities through the regulatory process, and in parallel, prepare the scientific publication and the commercial launch of 10, 25 and 50 mg tablets, which we hope to see in the second half of 2024. Together with the development partner Mochida, the whole team is eager to rapidly make daridorexant available to Japanese patients with insomnia."

-ENDS-

Notes to Editors

About Insomnia Disorder

Insomnia disorder is defined as difficulty initiating or maintaining sleep, causing clinically significant distress or impairment in important areas of daytime functioning. This impact on sleep quantity or quality should be present for at least three nights per week, lasts for at least three months, and occurs despite an adequate opportunity to sleep.

Insomnia is a condition of overactive wake signaling and studies have shown that areas of the brain associated with wakefulness remain more active during sleep in patients with insomnia. According to a survey by the Ministry of Health, Labour and Welfare in 2018, about 20% of Japanese adults struggle to get enough rest from sleep.

[1] USD=JPY149.86

Insomnia as a disorder is quite different from a brief period of poor sleep, and it can take its toll on both physical and mental health. It is a persistent condition with a negative impact on daytime functioning. Research has shown that poor quality sleep can affect many aspects of daily life, including the ability to concentrate, mood, and energy levels.

The goal of treatments for insomnia is to improve sleep quality and quantity, as well as daytime functioning, while avoiding adverse events and next-morning residual effects. Current recommended treatment of insomnia includes sleep hygiene therapy, cognitive behavioral therapy, and pharmacotherapy.

About the Orexin system

Wake and sleep signaling is regulated by intricate neural circuitry in the brain. One key component of this process is the orexin system, which helps promote wakefulness. There are two forms of orexin neuropeptides – small protein-like molecules used by nerve cells (neurons) to communicate with each other in the brain – orexin A and orexin B. Orexin promotes wakefulness through its receptors OX1R and OX2R. Together, these neuropeptides and receptors make up the orexin system. The orexin system stimulates targeted neurons in the wake system – leading to the release of several chemicals (serotonin, histamine, acetylcholine, norepinephrine) – to promote wakefulness. Under normal circumstances, orexin levels rise throughout the day as wakefulness is promoted and then fall at night. Overactivity of the wake system is an important driver of insomnia.

About the Japanese Phase 3 Study

The Japanese Phase 3 study was a randomized, double-blind, placebo-controlled, parallel-group, multicenter study to investigate the efficacy and safety of daridorexant in patients with insomnia disorder.

The primary objective of the study was to demonstrate the efficacy of 50 mg of daridorexant once daily at bedtime versus placebo for 4 weeks in patients with insomnia disorder. The efficacy of daridorexant was measured by patient reported total sleep time (“sTST”) and latency to sleep onset (“sLSO”).

- The primary efficacy endpoint was change from baseline to Week 4 in sTST and change from baseline to Week 4 in sLSO with 50 mg daridorexant versus placebo.
- The secondary efficacy endpoint was change from baseline to Week 4 in sTST and change from baseline to Week 4 in sLSO with 25 mg daridorexant versus placebo.

The study also evaluated the dose effect of 50 or 25 mg of daridorexant versus placebo using other patient reported sleep measures. The study enrolled 490 patients, randomized 1:1:1 to daridorexant 50 mg, 25 mg or placebo. As insomnia often presents later in life, and older adults are more susceptible to experience fragmented sleep, early awakening, and daytime sleepiness, around 30% of the recruited population was at least 65 years of age.

Key Literature

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About Makoto Uchiyama, M.D., Ph.D.

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Designated Physicians of Mental Health, Ministry of Health, Labor and Welfare, 1987
Board Certified Physician of the Japanese Society of Sleep Research, 2002
Certified Psychiatrist of the Japanese Board of Psychiatry, 2006
Board-certified Clinical Neurophysiologist (EEG section), Japanese Society of Clinical Neurophysiology, 2006

Dr. Uchiyama serves as a consultant to Idorsia Pharmaceuticals Japan.

About Idorsia Pharmaceuticals Japan

Idorsia Pharmaceuticals Japan was established in 2018 to conduct clinical development and prepare the commercialization of innovative and promising compounds for patients in Japan. Idorsia Pharmaceuticals Japan is a wholly owned subsidiary of Sosei Group Corporation.

About Sosei Heptares

PRESS RELEASE

Sosei Heptares is a fully integrated biopharmaceutical company focused on bringing life-changing medicines based on world-class science to patients globally. Our vision is to become one of Japan's global biopharmaceutical champions.

Our global business combines our world-leading GPCR-targeted StaR® technology, structure-based drug design and early development capabilities in the UK with a highly experienced clinical development capability and a commercial operation in Japan.

We are leveraging these capabilities to generate and advance a broad and deep pipeline of novel medicines across multiple therapeutic areas, including neurology, immunology, gastroenterology and inflammatory diseases. We intend to develop these opportunities for patients in Japan and globally both internally and through our partnerships with global biopharmaceutical companies and emerging technology companies.

Sosei Heptares operates from key locations in Tokyo and Osaka (Japan), London and Cambridge (UK), Basel (Switzerland) and Seoul (South Korea).

For more information, please visit https://soseiheptares.com/
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Sosei Group Corporation 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.