PRESS RELEASE

Sosei Heptares to Regain Worldwide Rights to Muscarinic Agonist Programs

Tokyo, Japan and Cambridge, UK, 5 January 2021 – Sosei Group Corporation ("the Company"; TSE: 4565) announces it is to regain the worldwide rights to its muscarinic agonist programs. The program was licensed to Allergan in April 2016, and Allergan was acquired by AbbVie in May 2020.

This decision to return worldwide rights was based on business decisions regarding AbbVie's pipeline strategy and not on any efficacy, safety or other data related to the collaboration programs.

As a result of this process, AbbVie has notified Sosei Heptares that it will be returning to Sosei Heptares all assets in development under the program, together with all associated intellectual property licensed by Sosei Heptares to Allergan, and all clinical and preclinical data generated under the partnership.

Sosei Heptares will now conduct a full internal review to determine a strategy for the further development and re-partnering of the program. The outcome of this review is expected to be reported around the time of the Company's full year results presentation in February 2021. The event reported today has no immediate impact on the consolidated financial results for the accounting period ending December 2021. Should any impacts or other matters that require an announcement be identified, the Company will announce such matters promptly.

Shinichi Tamura, Chairman, President and CEO of Sosei Heptares, commented: "We are delighted to regain rights to this portfolio of novel subtype-selective muscarinic receptor agonists (M_4, M_1 and dual M_1/M_4 agonists), including several clinical and preclinical candidates with substantial data associated. We enjoyed a productive relationship with Allergan over the course of our muscarinic agonist collaboration and continue to work positively with AbbVie on a new program in inflammatory diseases that we announced in June last year.

"The considerable progress that we made together with Allergan has reinforced our view in the potential of this approach to create important new products that treat severe and debilitating symptoms of Alzheimer's disease, schizophrenia and other neurological diseases. We are also encouraged by the growing industry interest and validation of this novel approach to treating these diseases.

"In addition, the R&D collaboration has generated a diverse pipeline of next-generation, selective muscarinic agonists with novel chemistry that have benefitted from insights gained in clinical trials and from advanced drug design technologies. These new and differentiated candidates exhibit highly attractive properties for further development.

"The value of the selective M_1 agonists was enhanced with a signal observed in early clinical trials of HTL0018318, and in addition we have been advancing the development of such agonists with novel chemistry. We will decide which selective M_1 agonist program to prioritise after further study.

"We are excited by this opportunity and look forward to disclosing our strategy for the further development and re-partnering of this program at around the time of our full year results in February 2021."

About the License Agreement

Sosei Heptares and Allergan entered a global R&D and commercialization partnership in April 2016 under which Allergan licensed exclusive global rights to a broad portfolio of novel subtype-selective muscarinic receptor agonists (M_4, M_1 and dual M_1/M_4 agonists) in development for the treatment of major neurological disorders, including Alzheimer's disease.

Effective 4 January 2021, the License Agreement is terminated. All intellectual property rights pertaining to the muscarinic program licensed to Allergan and subsequently added to through the collaboration, and all preclinical and clinical data, will be regained by Sosei Heptares.

About Muscarinic Receptors

Muscarinic receptors are G protein-coupled receptors (GPCRs) found in multiple tissues including the brain, cardiovascular system and gastrointestinal tract. Selective activation of M_4 and M_1 receptors in the brain is a clinically validated approach to treating cognitive and neuropsychological symptoms of neurological diseases, including Schizophrenia, Alzheimer's disease, Parkinson's disease and others. Until now, attempts to develop medicines that selectively target M_4 and M_1 receptors have been unsuccessful because of side effects caused by the activation of M_2 and M_3 receptors. Highly selective M_4 or M_1 agonists that do not activate M_2 or M_3 therefore are highly sought after and expected to have the potential to address major unmet medical needs with blockbuster potential.

-ENDS-

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.

PRESS RELEASE

"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/
LinkedIn: @soseiheptaresco | Twitter: @soseiheptaresco | YouTube: @soseiheptaresco

Enquiries:

Sosei Heptares – Media and Investor Relations
Hironoshin Nomura, SVP Investor Relations and Corporate Strategy
+81 (0)3 6679 2178 | Hironoshin.Nomura@SoseiHeptares.com

Shinichiro Nishishita, VP Investor Relations, Head of Regulatory Disclosures
+81 (0)3 5210 3399 | IR@SoseiHeptares.com

Citigate Dewe Rogerson
Yas Fukuda – Japanese Media
+81 (0)3 4360 9234 | Yas.Fukuda@citigatedewerogerson.com

Mark Swallow, David Dible – International Media
+44 (0)20 7638 9571 | SoseiHeptares@citigatedewerogerson.com

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.