



Solasia acquires exclusive license to develop and commercialize episil® (oral liquid) in South Korea

Tokyo, Japan, August 17th, 2018 - Solasia Pharma K.K. (TSE: 4597, Headquarters: Tokyo, Japan, President & CEO: Yoshihiro Arai, hereinafter “Solasia”) announced today that Solasia and Camurus AB (hereinafter “Camurus”) (STO: CAMX) have entered into an exclusive license and distribution agreement for episil® (SP-03) in South Korea.

In March 2015, Solasia has obtained an exclusive license to develop and commercialize episil® in Japan and China from Camurus. In July 2017, episil® has been approved in Japan for the management of pain and relief of pain, soothing oral lesions including oral mucositis (OM) caused by chemotherapy and/or radiotherapy by the Ministry of Health, Labour and Welfare, and in May 2018, episil® was launched. In China, Solasia filed for New Medical Device Application in May 2016, and are currently undergoing approval review.

episil® is a non-absorbable liquid device intended to cover and protect oral lesions. By applying an appropriate amount to the oral mucosa, within minutes, it absorbs the moisture of the oral mucosa, turns into a gel and forms a physical barrier to manage and relieve the oral pain caused by oral OM.

OM due to chemotherapy and radiotherapy faced by cancer patients and others is characterized by painful ulcers in the oral mucosa and is one of the severe side effects in cancer chemotherapy and radiotherapy. OM is expressed in almost all patients with head and neck cancer undergoing radiotherapy, 30% to 75% of patients under chemotherapy, and most patients during pretreatment for hematopoietic stem cell transplantation. This OM is caused by a decrease in the cell proliferation ability due to the damage of the basal epithelial cell DNA in the oral cavity layer, and the patient's ingestion, swallowing, and conversation are inhibited, affecting the quality of life (QOL), as well as the dose, frequency, and continuity of cancer treatment are often affected.

The above situation of severe side effects (OM) of cancer patients is also prevalent in South Korea. Based on the approval track record in Japan, Solasia assessed the business feasibility including the possibility of obtaining approval in South Korea, decided to further expand their development and commercialization rights into South Korea.

Under the terms of this agreement, Camurus will receive a lump sum milestone payment according to future development progress. The impact on the company's financials as a result of this agreement is expected to affect over medium to long term after commercialization. In addition, the amount of development cost is limited. Therefore, the impact due to this agreement for the current fiscal year is minor and will not be changed for the consolidated earnings forecast of fiscal year ending December 2018, announced on February 9th 2018.

About episil®:

episil® was developed using Camurus's proprietary technology FluidCrystal®. episil® is administered as a lipid-based liquid that spreads on the intra-oral mucosal surfaces and transforms to a strongly bioadhesive film that mechanically protects the sensitized and sore mucosa of the oral cavity.

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Clinically demonstrated, episil® has been shown to rapidly (within minutes) and effectively reduce oral pain for up to 8 hours. episil® oral liquid is the only product for OM that is supplied as a ready-to-use, pocket-sized device helping patients maintain their quality of life while undergoing cancer therapy. episil® was first launched in Europe in 2009 and is today commercially available in a number of countries, including the U.S. where it was launched by key global pharmaceutical players. episil® oral liquid is a medical device class 1 in Europe and a 510(k) registered medical device in the U.S. episil® is the first approved product in Japan for local treatment of pain associated with OM for cancer patients undergoing chemotherapy and radiotherapy.

For more information about episil®, please access Camurus AB, episil® website:

<https://www.episil.net/>

About Solasia:

Solasia is a specialty pharmaceutical company based in Asia, with a mission of "Better Medicine for a Brighter Tomorrow". In order to address the unmet medical needs within the oncology area, we develop innovative medicines to contribute to the patient's healthy living and to provide treatment options for the healthcare providers.

Additional information is available at <http://www.solasia.co.jp/en/>

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