

Conference on Establishment of RACTHERA, the Regenerative Medicine and Cell Therapy Business Joint Venture

Toru Kimura, President and CEO

Sumitomo Pharma Co., Ltd.

December 17, 2024

RACTHERA Co., Ltd.

「Regenerative And Cellular THERApy」

Mainly seconding human resources from Sumitomo Pharma

Collaborate closely with Sumitomo Pharma and promote research and development of regenerative medicine and cell therapy field

Date of establishment

November 15, 2024 (Scheduled to start business on February 1, 2025)

Representative¹

Atsushi Ikeda, Representative Director and President,
Toru Kimura, Chairperson of the Board² (Scheduled to take office on February 1, 2025)

1: Sumitomo Chemical is also expected to appoint one representative director, 2: Chairperson of the Board of S-RACMO

Capital

1 million JPY

Location

2-7-1, Nihonbashi, Chuo-ku, Tokyo, Japan (in Sumitomo Pharma Tokyo Head Office)

Shareholders

Sumitomo Pharma: 100%
(From February 1, 2025, Sumitomo Chemical: 66.6%; Sumitomo Pharma: 33.4%)

Scope of business

Research, development, manufacture, sales, and import and export of regenerative medicine and cell therapy products, cell processing products, and regenerative medicine and cell therapy-related products

Sumitomo Pharma's Ongoing Initiatives for Success in Regenerative Medicine and Cell Therapy Business

- ✓ Relationships with Key Opinion Leaders (KOLs)
- ✓ Negotiation Framework with Government and Authorities
- ✓ Pharma Business Human Resources Supporting Approval, Supply Chain, and Post-Marketing Know-How

Sumitomo Pharma's Relationships, Know-How, and Human Resources

R&D Base
(The Pharma foundation organization will continue to actively participate in the promotion of development)

Research and Development Structure and Governance
Various R&D Committees/ SOPs and IT Systems for Research and Development, etc.

Commercial Platform
(Equipped with necessary functions for manufactures and distributors)

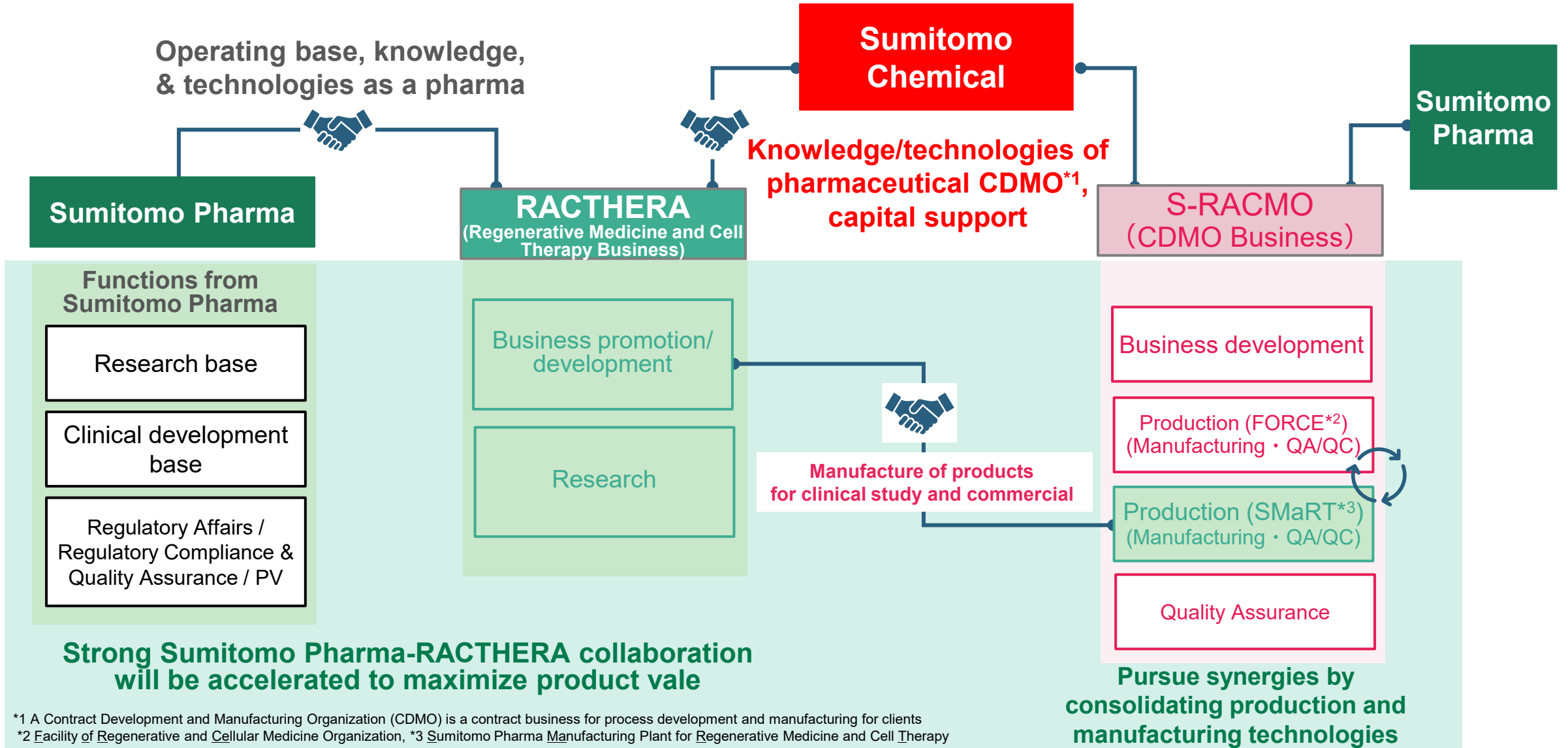
Sales in Various Countries/MA System
Post-Market Quality Assurance · PV System
Supply Chain System, etc.

Additionally, through support from Sumitomo Pharma's subsidiaries and **collaboration with the headquarters functions and S-RACMO, we will actively support RACTHERA**

Operation Structure of Regenerative Medicine and Cell Therapy Business after Establishment of RACTHERA

By fully leveraging Sumitomo Pharma's business foundation and the synergy of four companies, including Sumitomo Chemical, we will accelerate the commercialization

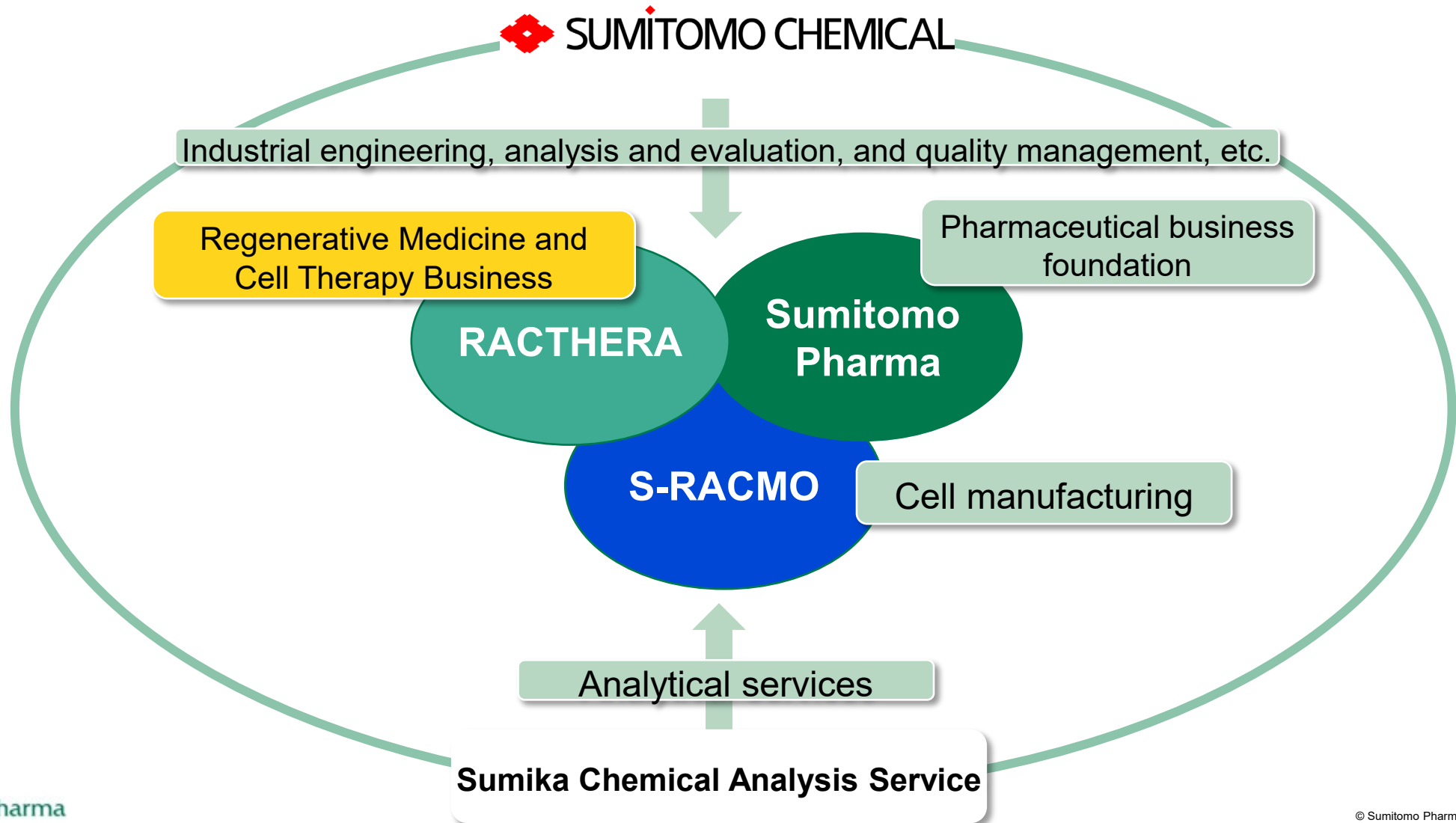
Functions from Sumitomo Pharma



*1 A Contract Development and Manufacturing Organization (CDMO) is a contract business for process development and manufacturing for clients
 *2 Facility of Regenerative and Cellular Medicine Organization, *3 Sumitomo Pharma Manufacturing Plant for Regenerative Medicine and Cell Therapy

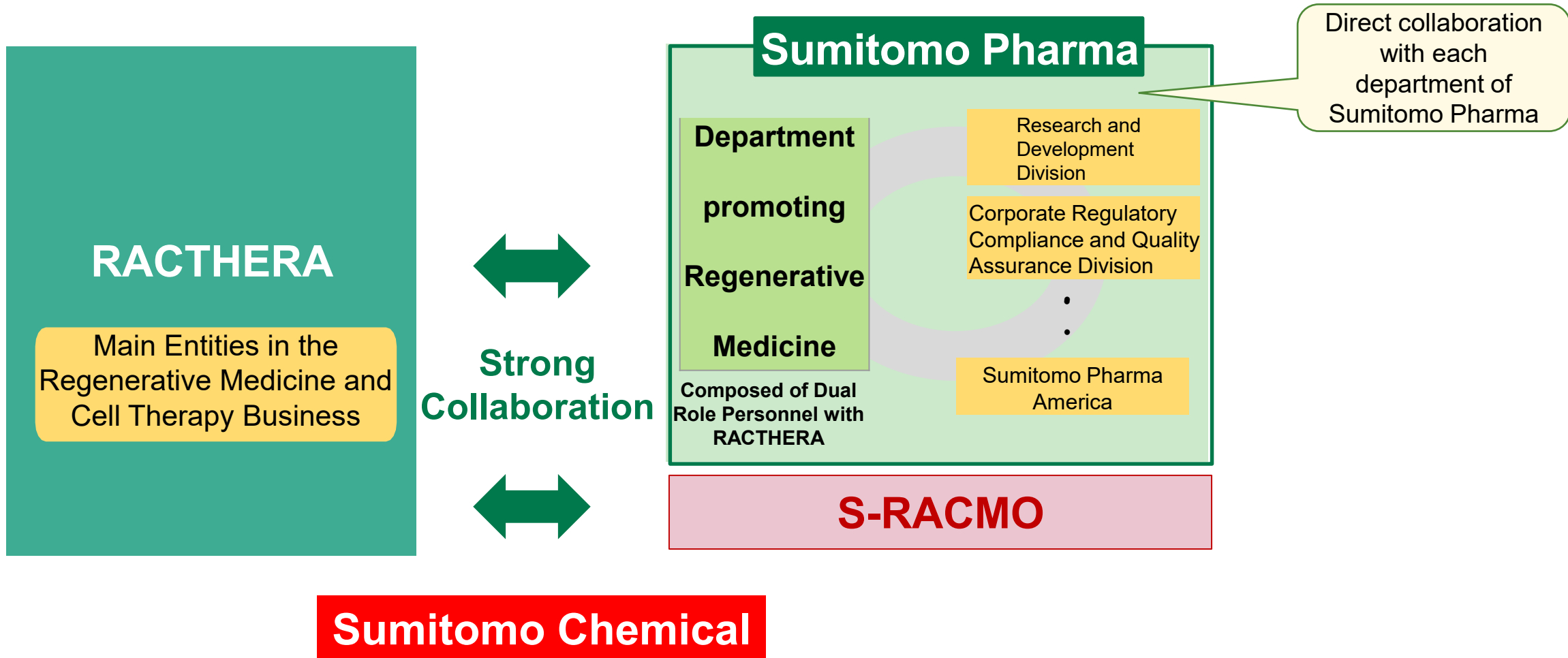
Regenerative Medicine and Cell Therapy Business in Sumitomo Chemical Group

Aiming for the success of the RACTHERA business by uniting the strengths of the entire Sumitomo Chemical Group



Structure for Promoting the Regenerative Medicine and Cell Therapy Business

- The Sumitomo Chemical Group will continue to unite, strengthening collaboration with Sumitomo Pharma and S-RACMO to drive the business forward
- As a hub for promoting development, Sumitomo Pharma will establish a department promoting regenerative medicine, led by a person concurrently in charge of RACTHERA



Establishment of RACTHERA: Significance for Sumitomo Pharma and the Regenerative Medicine and Cell Therapy Business



Sumitomo Pharma

- To reduce the investment burden in research and development and capital expenditure through investment burden based on shareholding ratio
- In addition to RACTHERA's business revenue, revenue from transfer consideration, development milestones (up to approximately 4 billion JPY), and sales milestones (up to approximately 150 billion JPY)
- Flexibility in research and development strategies (Oncology, Psychiatry & Neurology)
- To continue Regenerative Medicine and Cell Therapy Business within Sumitomo Chemical Group and ensuring continued involvement of employees

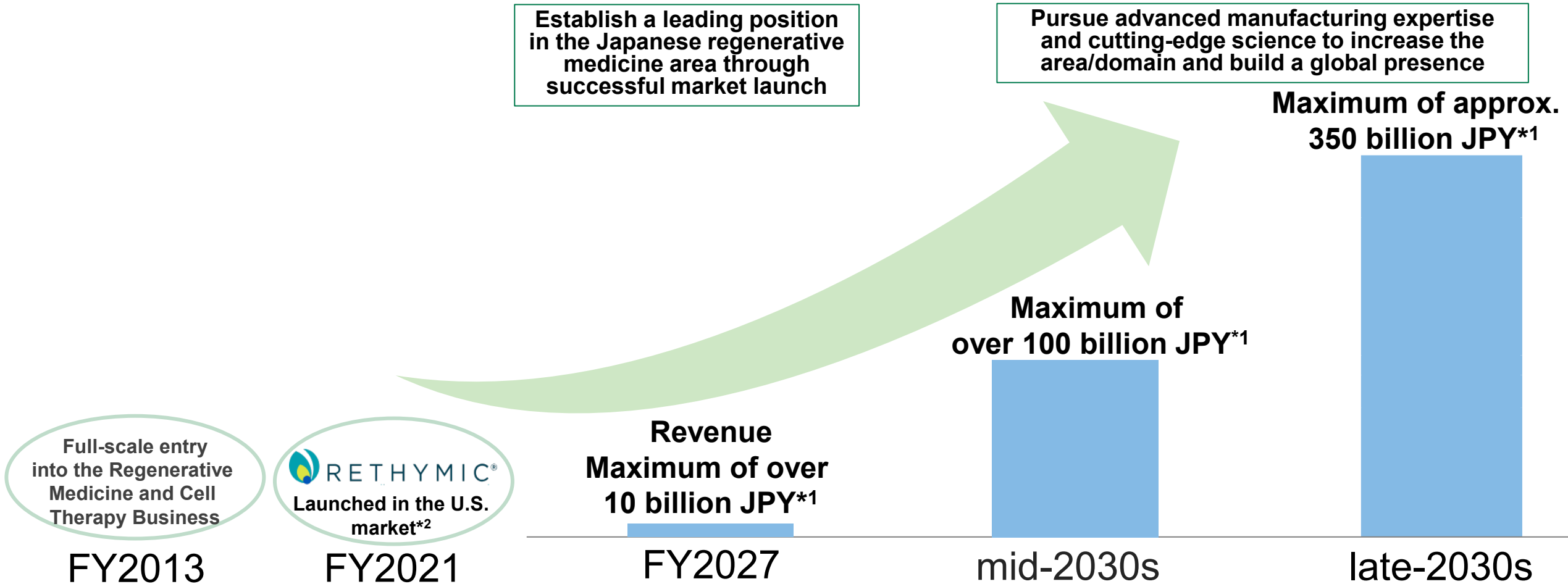


Regenerative Medicine and Cell Therapy Business

- Securing a stable source of funding for research and development and capital expenditure, which is more stable than when Sumitomo Pharma is operating independently, through the acceptance of capital from Sumitomo Chemical
- Optimal operational structure that can maximize the utilization of the technologies, know-how, and human resources of Sumitomo Pharma, Sumitomo Chemical, RACTHERA, and S-RACMO respectively

Outlook for the Regenerative Medicine and Cell Therapy Business

- As a frontrunner in regenerative and cell therapy, we provide new value that can only be realized through regenerative medicine
- Aiming to expand revenue to maximum of approximately 350 billion JPY*1 by the late 2030s



*1 The estimation of the business value assumes that the multiple products that are under development will be successfully launched and does not make any adjustment based on probability of success, *2 US-approved processed thymus tissue product indicated for immune reconstitution in pediatric patients with congenital athymia

Sumitomo Pharma's Regenerative Medicine/Cell Therapy Launched Product and Development Pipeline (as of December 17, 2024)

Brand name/Cell type Product code	Indications	JP/ US	Pre-clinical	Clinical research	Phase 1/2	Phase 3	Approval application	Approval→ Launch
RETHYMIC®	Congenital athymia	US						
Dopaminergic neural progenitor cells (Allo iPS cell-derived) CT1-DAP001/DSP-1083	Parkinson's disease	JP US			 			Launch timing under consideration
Retinal pigment epithelial cells (Allo iPS cell-derived) HLCR011	Retinal pigment epithelium tear	JP						
Retinal sheet (3D retinal tissue) (Allo iPS cell-derived) DSP-3077	Retinitis pigmentosa	JP US						
Neural progenitor cells (Allo iPS cell-derived)	Spinal cord injury	JP US						
Nephron progenitor cells (organ) (Auto/ Allo iPS cell-based induced)	Kidney failure	JP/ US						

Announced the start of the clinical study on November 29

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- This material contains forecasts, projections, goals, plans, and other forward-looking statements regarding the Group's financial results and other data. Such forward-looking statements are based on the Company's assumptions, estimates, outlook, and other judgments made in light of information available at the time of disclosure of such statements and involve both known and unknown risks and uncertainties.
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