

NB: this is a summary translation of the press release original drafted in Japanese for the disclosure required in compliance with the TSE regulations.

23 May 2018

Oncolys BioPharma Inc.

## **Oncolys Announces In-Licensing Agreement with Stabilitech Biopharma for Novel Virus Stability Platform Technology**

Oncolys BioPharma (“Oncolys”) is pleased to announce that the board of the company resolved to enter into an exclusive, worldwide license agreement with Stabilitech Biopharma Ltd. (“Stabilitech”), a UK-based pharmaceutical research company, for Stabilitech’s proprietary virus stability platform technology, Therm-SB™. The main purpose of this in-licensing is to explore the possibility of drastically improved thermal stability and aggregation resistance of Oncolys’ viroimmunotherapy pipeline led by Telomelysin®

Under the agreement, a patent in relation to Stabilitech’s Therm-SB™ platform technology shall be granted to Oncolys while Stabilitech is entitled to receive certain upfront/milestone fees and royalties according to development stages and sales performances, of which details are not disclosed. Oncolys aims to utilize the Therm-SB thermostability technology to improve the usability of its oncolytic virus pipeline it currently owns, in response to the demand in clinical settings.

As announced in the press release dated 16 February 2018, “Oncolys Invests in US Biotech Venture Specialized in Development of Novel Oncolytic Adenovirus”, Oncolys has been focusing on the expansion and reinforcement of its oncolytic virus portfolio and it expects to apply Stabilitech’s Therm-SB™ platform to Telomelysin® and its next generation candidates currently under development for systemic treatment.

The announcement above will not affect Oncolys’ earnings for the fiscal year ending 31 December 2018.

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### **About Therm-SB™.**

*Therm-SB™ is a platform technology designed to provide the next generation in thermal stability to viruses used throughout the biotech and pharma industry. Utilising small molecules Therm-SB™ typically reformulates a -80C virus-based product and enables a change to +4C or +25C storage and logistics conditions with a 2-3 year shelf life. Therm-SB™ is now being utilized in a number of pipeline candidates within the pharma, veterinary and biotech industry.*

### **About Stabilitech Biopharma Ltd.**

Stabilitech Biopharma is a privately-owned UK biotechnology company developing the next generation of vaccines to address unmet needs in infectious diseases.

The company is at present pursuing two major programmes:

Omniflu™ is the world's first omni-valent influenza vaccine. It is capable of delivering 15 strains in a single dose, reducing strain selection mismatches and thereby increasing the immunity of patients to save lives. Omniflu also reduces costs for vaccine manufacturers and healthcare systems.

OraPro™ is a 'plug-and-play' oral delivery vaccine platform. It enables repeat delivery of non-replicating viral vectors to the GI tract to eliciting effective immunity against infectious diseases but not the viral vector. Stabilitech is using OraPro™ to develop the world's first oral Zika vaccine and other candidate vaccines/biotherapeutics.

Stabilitech also partners with leading pharma and biotech companies to stabilize their proprietary products with its Therm-SB platform.

For more information, please visit <http://www.stabilitech.com>

### **About Telomelysin® (OBP-301)**

Telomelysin® is an oncolytic adenovirus in which gene is modified to be able to selectively replicate in cancer cells by introducing human telomerase reverse transcriptase (hTERT) promoter. Oncolytic adenovirus has much potential for cancer immunotherapy because its viral replication is highly immunogenic, and oncolysis induced by such virus releases tumor epitopes and provides costimulatory danger signals. From the result of phase I clinical trial in the US, Oncolys obtained promising data showing abscopal effect in melanoma patients after single injection into one single tumor and found that not only increasing infiltration of CD8 and antigen presenting cells but diminishing Treg cells in injected tumor site. **Clinical Research:** Co-development with Medigen Biotechnology Corporation: esophageal cancer (Phase I, in combination with radiotherapy, Japan); hepatocellular cancer (Phase I/II, Taiwan/South Korea); melanoma (Phase II, USA); and solid tumors (clinical investigation, in combination with pembrolizumab, NCCHE, Japan)

### **About Oncolys BioPharma Inc.**

Oncolys BioPharma is a TSE Mothers-listed biopharmaceutical company with focuses on the development of novel biologics for the treatment of cancer and infectious diseases. The company's lead product for the treatment of cancer, Telomelysin® (OBP-301), is based on replication-competent oncolytic virus, and is being tested in Phase I/II clinical trial in Asia and Phase II in the USA, for various solid tumors. A novel cancer diagnostic product, TelomeScan® (OBP-401/1101), is expected to be effective in detecting various types of cancer and inflammatory diseases and adopted in several private practices. The company also has a major program OBP-601 (Censavudine) for infectious diseases, for which it completed Phase II clinical trial in the U.S. for HIV/AIDS therapy, supported by BMS.

For more information, please visit <http://www.oncolys.com/en/>

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