November 29, 2023

To whom it may concern

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Notice Concerning a Decision on the Licensing Agreement related to the Three Hormone Therapy Drugs for Rare Endocrine Diseases

Teijin Limited (hereinafter, “the Company”) hereby announces that it has resolved at its Board of Directors meeting held today that the Company and its subsidiary Teijin Pharma Limited (Head office: Chiyoda-ku, Tokyo; President: Masaki Taneda; hereinafter “Teijin Pharma”) enter into an exclusive licensing agreement with Ascendis Pharma, A/S (Head office: Copenhagen, Denmark; President and CEO: Jan Møller Mikkelsen; hereinafter, “Ascendis”) regarding the research, development, manufacturing and sales in Japan for “TransCon hGH, “TransCon PTH,” and “TransCon CNP,” three drugs currently under development as hormone therapy drugs to be used for the treatment of rare endocrine diseases.

1. Signing the licensing agreement for the three hormone therapy drugs

(1) Summary of the contract and reason for deciding to sign the contract

“TransCon hGH” (a growth hormone (GH) receptor agonist), the target drug in this deal, is being sold by Ascendis in the United States and Europe as a therapeutic drug for pediatric growth hormone deficiency, a rare disease. In Japan, Phase III clinical trial is underway targeting the same disease. Furthermore, Ascendis is implementing Phase III clinical trials overseas and in Japan for adult patients with growth hormone deficiency. In addition, in Europe, Ascendis has obtained manufacturing and sales approval for “TransCon PTH” (PTH receptor agonist) which is a treatment for patients with hypoparathyroidism, a rare disease. In the United States, Ascendis has submitted an application for new drug approval, and in Japan it is preparing an application for the authorization for manufacturing and sales. At Ascendis, “TransCon CNP” (CNP receptor agonist) is undergoing Phase III clinical trials for patients with achondroplasia.

In accordance with this licensing agreement, the Company will acquire the exclusive rights to research, development, manufacturing and sales in Japan for the three hormone therapy drugs. Going forward, the Company plans to submit an application for the authorization ahead of sales to conduct domestic clinical trials, and to manufacture and sell the drugs. The Company will pay Ascendis a one-off lump-sum contract fee of US$70 million (approx. ¥9.9 billion) and will also pay a maximum of US$175 million (approx. ¥24.7 billion) when achieving development milestones, milestones depending on sales, and royalty fees for sales.

Based on its corporate philosophy of “enhancing the quality of life,” the Company aims to “be a company that supports the society of the future” to achieve a sustainable society. From FY2023, to further embody its aim “to be a company that supports the society of the future,” the Company established a long-term vision to become “a company that protects the global environment,” and “a company that addresses issues of patients, families and communities in need of more support.”

In the Healthcare Business, as stated in “The Teijin Group Reforms for Profitability Improvement,” which was disclosed in February 2023, we plan to push forward with activities to expand our pipeline by introducing pharmaceuticals mainly in the fields of rare and intractable diseases, medical devices, and new services that have the potential to utilize the business foundation that we have fostered thus far to achieves its concrete long-term vision to be “a company that addresses issues of patients, families and communities in need of more support.”

As our goal to build a profit base by implementing the aforementioned initiatives, we decided to sign this licensing agreement related to the introducing the drugs in Japan.

Moving forward, we plan to pour energies, mainly into development to launch these drugs in the Japanese market, to ensure that we deliver them to patients as quickly as possible.

[The three hormone therapies drugs: “TransCon hGH,” “TransCon PTH” and “TransCon CNP”]

“TransCon hGH” is a once-weekly subcutaneous injection of human growth hormone (hGH), made long-acting owing to the TransCon technology*. In the Phase III clinical trial (heiGHt Trial) conducted overseas for pediatric patients with a short stature due to a growth hormone deficiency, the annualized height velocity was found to be non-inferior and have high statistical significance in comparison with a once-daily administered hGH. In 2021, “TransCon hGH” was approved in and is being sold in the United States to treat pediatric patients with a short stature due to a growth hormone deficiency. “TransCon hGH” is administered using a specialized electronic injection device that gives consideration to convenience.

“TransCon PTH” is being developed as a once-daily subcutaneous injection of parathyroid hormone (PTH), made long-acting owing to the TransCon technology*. In the Phase III clinical trial (PaTHway Trial) for adult patients with hypoparathyroidism, in comparison with the placebo group, for symptoms of low blood calcium concentration due to a decreased parathyroid hormone secretion, there was a significant improvement in a patient’s specific physical and cognitive symptoms owing to the achievement of withdrawal from or lower level of vitamin D formulation and calcium formulation required to maintain a normal concentration of serum calcium. “TransCon PTH” is designated as an orphan drug in the United States, Europe and Japan for the treatment of hypoparathyroidism.

“TransCon CNP” is being developed as a once-weekly, subcutaneous injection of C-natriuretic peptide (CNP), made long-acting owing to the TransCon technology*. It is designed for use in pediatric patients with achondroplasia. In the topline results of the Phase II clinical trial (ACcomplisH Trial) for achondroplasia patients between the ages of 2 and 10, in comparison with the placebo group, there was a significant improvement in annualized height velocity. “TransCon CNP” is designated as an orphan drug in both the United States and Europe for the treatment of achondroplasia.

About Ascendis Pharma A/S

Ascendis Pharma is applying its innovative TransCon technology* platform to build a leading, fully integrated biopharma company focused on making a meaningful difference in patients' lives. Guided by its core values of patients, science and passion, Ascendis uses its TransCon technologies* to create new and potentially best-in-class therapies. Ascendis is headquartered in Copenhagen, Denmark and has additional facilities in Germany (Heidelberg and Munich) and the United States (Palo Alto and Redwood City, California, and Princeton, New Jersey). Please visit ascendispharma.com to learn more.

*This proprietary technology of Ascendis achieves a long-acting hormone by linking a carrier with no physiological activity and an active hormone through a cross-linking agent and administering it in an inert form to gradually release an active hormone in the body from the carrier.

(2) Schedule

Board of Directors` resolution date: November 29, 2023
Contract signing date: November 29, 2023

(3) Financial Outlook

We are currently examining the impact of this matter on our consolidated earnings forecast for the fiscal year ending March 2024, including other positive factors, and will make an announcement as quickly as possible if any matter requiring disclosure occurs in the future.

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