

K S Biomedix Holdings PLC ([LS:KSB](#)) Licenses TransMID Brain Cancer Product To Sosei Co., Ltd. In \$25 Million Japanese Deal

GUILDFORD, England and LONDON and TOKYO, May 27 /PRNewswire-FirstCall/ - KS Biomedix Holdings plc ("KSB") (LSE: KSB) and Sosei Co. Ltd. ("Sosei") announce that KSB has appointed Sosei as the Japanese licensee for its TransMID(TM) product in a \$25 million licensing deal. TransMID(TM) is a novel biopharmaceutical product in development for the treatment of recurrent high grade glioma, a terminal brain cancer for which there is no known cure.

This deal is the first TransMID(TM) licensing deal agreed by KSB since it acquired the technology in July 2001. Japan constitutes around 20% of the total worldwide market for glioma treatments and is the second largest single market in the world after the USA.

Under the terms of the deal, KSB will receive an upfront payment together with staged development milestone payments and sales-related milestones for a total of up to \$25 million from Sosei. KSB will also receive royalties on product sales as well as revenue from the sale to Sosei of TransMID materials manufactured at KSB's Edmonton (Alberta, Canada) facility. Sosei will be responsible for the development, registration and marketing of TransMID(TM) in Japan. A pivotal Phase III trial for the lead product TransMID107-RTM, for recurrent high grade glioma, is due to commence in North America and Europe in the second half of calendar 2002. Marketing submission is scheduled for 2004.

TransMID(TM) is a novel biopharmaceutical product, based on the transferrin-mediated delivery of a modified diphtheria toxin, which is capable of selectively killing cancer cells. A completed Phase II study conducted in a number of leading centres in the USA showed highly promising clinical response rates and an improvement in survival times in patients with recurrent brain cancer. The FDA granted TransMID(TM) Fast Track status in August 2001 and Orphan Drug Status for the treatment of malignant tumours of the central nervous system in December 2001 and the European Medicines Evaluation Agency's ("EMEA") Committee for Orphan Medicinal Products granted Orphan designation for the treatment of glioma in March 2002.

Steven Powell, KSB Chief Executive Officer, commented: "Today's licensing deal with Sosei is the first for our TransMID product and illustrates the significant global potential that exists for KSB in the brain tumour markets. We remain on schedule to commence the pivotal Phase III trials for TransMID in Europe and the USA later this year and are in active negotiations to secure licensing agreements in other territories. We believe that a partnership with a progressive and fast-moving company such as Sosei will offer early access to the important Japanese market"

Shin-ichi Tamura, Chief Executive Officer of Sosei said: "We have been looking for much-needed drugs with reliable clinical evidence for the Japanese market. KSB's TransMID development programme fits well to such a category. This will be the third compound we have in clinical trials and will significantly add value to our product portfolio."

Notes to Editors

KS Biomedix Holdings PLC (Guildford, UK) is a biopharmaceutical company headquartered in the UK that is developing a broad late-stage pipeline of drugs for a range of cancer indications and inflammatory disease. In addition, it has a number of technology platforms based on its range of receptor-based targeting technologies one of which is KSB's super high-affinity monoclonal antibodies (SMAs). The Company has seven products in or about to commence clinical trials including TransMID-107R(TM) for the treatment of adult, recurrent, inoperable high-grade gliomas (brain tumours), and KSB303, an anti-CEA antibody for the diagnosis and treatment of cancer. KS Biomedix was founded in 1993 and floated on the Alternative Investment Market of the London Stock Exchange in 1995. The Company joined the Official List of the London Stock Exchange in 1998.

For more information please see <http://www.ksbiomedix.com>.

Sosei Co., Ltd. (Tokyo, Japan and London, UK), founded in 1990, is a leading private Japanese biopharmaceutical company focused on drug development. It enriches the core

product pipeline via in-licensing compounds at late-stages of development from Western and Japanese companies, by its distinctive drug re-profiling platform (DRP) and through its internal R&D programmes in collaboration with biopharmaceutical companies and universities both in Japan and the West. The company is capitalising on its extensive global network established over the past 10 years in its successful technology transfer business. Sosei's investors include Western venture capitalists and Japanese institutional investors. The company has recruited a strong team for clinical development based in London and Tokyo and is supported by an international board of directors and scientific advisory board.

For further information about Sosei, please visit <http://www.osei.com>.

SOURCE Sosei Co., Ltd.

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