

NEWS RELEASE



Solasia Announces Finance via Issuance of Warrant

Tokyo, Japan, March 24, 2025 – Solasia Pharma K.K. (TSE: 4597, Headquarter: Tokyo, Japan, President & CEO: Yoshihiro Arai, hereinafter “Solasia”), a specialty pharmaceutical company based in Asia, today announced fund raising via issuance of warrants (“Warrant(s)”) to Macquarie Bank Limited. Solasia looks to raise JPY 2,049mn and the funds will be used for developing of SP-05.

I. Background of SP-05 and detailed use of proceeds

In 2020, Solasia acquired the rights to the development product SP-05 in Japan and has since been conducting development activities as a colorectal cancer treatment. However, in 2022, the results of the international joint Phase III clinical trial showed that the primary endpoint had not been met, and Solasia temporarily suspended the development.

Isofol Medical AB (headquarters: Gothenburg, Sweden; hereinafter “Isofol”), the licensor of the SP-05 development product, has since then been continuously pursuing the potential of SP-05 as a new drug by conducting a post-hoc reanalysis and new non-clinical studies. Throughout and based on these efforts, Isofol has compiled its views on the reasons for the failure to achieve the above main objectives, and in February 2024, Isofol decided to resume clinical development of SP-05. Based on Isofol’s decision and after much consideration Solasia has decided to resume development of SP-05 in March 2024.

Expected total funds to raise is JPY 2,049mn, and as a breakdown, JPY 700mn will be used between 2025 and 2026 for the Phase II part of the Phase Ib/II clinical trial of SP-05 (including the costs of procuring investigational drugs and conducting clinical trials), and JPY 1,349mn between 2027 and 2029 for the Phase III study (including costs for procuring investigational drugs and conducting clinical trials) and application fees to the regulatory authorities.

II. Summary of Warrant

The Warrants are contemplated to be issued pursuant to the following terms.

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| 1. Title | Series 15 warrant |
| 2. Allocation Date | April 9, 2025 |
| 3. Total Number of Warrants | 544,000 |
| 4. Issue Price | Total Amount: JPY 2,176,000 (JPY 4 per Warrant) |
| 5. Underlying Shares | 54,400,000 shares (100 shares per Warrant) |
| 6. Funding Amount | JPY 2,069,376,000 (estimated amount of proceeds excluding costs: JPY 2,049,376,000)
- Financing amount by issuance of Warrants: JPY 2,176,000
- Financing amount by exercise of Warrants: JPY 2,067,200,000 |
| 7. Exercise Price and Conditions for Move of Exercise Price | Initial exercise price: JPY 38
The exercise price of the Warrants shall move to the amount equivalent to 95% of the closing price of Solasia’s common stock under the ordinary trading at the Tokyo Stock Exchange as of the trading day immediately prior to each move date, on or after the day following the date of issuance (if there is no closing price on the relevant day, the immediately prior closing price applies; to be calculated up to the first decimal point below the yen and fractions smaller than yen to be rounded down).
The exercise price of the Warrants shall not be less than JPY 21. |

The forward-looking statements, including earnings forecasts, contained in this press release are based on information currently available to Solasia and on certain assumptions deemed to be reasonable. Such statements should not be construed as representing commitments on the part of Solasia. Please be aware that actual performance may differ for a variety of reasons. Major factors affecting Solasia’s actual performance include the economic conditions in which it operates, exchange rate fluctuations, the competitive situation and other factors. Information contained in this press release is for informational purposes only and should not be considered as investment solicitation. Information with regard to pharmaceuticals and medical devices (including products under development) is not provided for the purposes of advertising or medical advice. Solasia does not have any obligation to update or revise any information in this press release, and any update or revision may occur anytime without notice.

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| 8. Allottee | Macquarie Bank Limited |
| 9. Exercise Period | April 10, 2025 – April 10, 2028 |
| 10. Others | Solasia plans to conclude a purchase agreement (hereinafter referred to as the “Purchase Agreement”) for the Warrants with the Allottee after the notification pursuant to the Financial Instruments and Exchange Act comes into effect.
Purchase Agreement is expected to include a provision providing that if the Allottee transfers the Warrants, the transferee from the Allottee shall succeed all rights and obligations of the Allottee under the Purchase Agreement. |

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