

September 6, 2019

Sumitomo Dainippon Pharma Co., Ltd.

**Sumitomo Dainippon Pharma and Roivant Sciences Enter into  
a Memorandum of Understanding for a Strategic Alliance**

Sumitomo Dainippon Pharma Co., Ltd. (Head Office: Osaka, Japan; Representative Director, President and CEO: Hiroshi Nomura) announced today that it has entered into a Memorandum of Understanding (hereinafter, “Memorandum of Understanding”) for a Strategic Alliance with Roivant Sciences Ltd. (Head Offices: London and Basel; Founder & CEO: Vivek Ramaswamy).

The Memorandum of Understanding is generally non-binding with the exception of exclusivity and confidentiality. Both parties will continue to conduct further due diligence and engage in discussions on terms and conditions on a legally binding definitive agreement for the strategic alliance (hereinafter, “this Strategic Alliance”) expected to be executed by the end of October 2019. Both companies have mutually granted legally binding exclusivity to negotiate with the other party for a certain period after the execution of the Memorandum of Understanding and neither company is allowed to negotiate with any third parties about acquisitions, divestitures, or alliances that exceed certain conditions.

1. Objectives and details of this Strategic Alliance

(1) Objectives of this Strategic Alliance

Sumitomo Dainippon Pharma is rebuilding its business foundation by pursuing core strategies laid out in the Mid-Term Business Plan 2022 which consists of the “establishment of a growth engine” and “building a flexible and efficient organization” in order to ensure sustainable growth after expiration of U.S. market exclusivity of atypical antipsychotic LATUDA<sup>®</sup>, one of the key pillar of revenue for the Sumitomo Dainippon Pharma Group.

Roivant aims to deliver value with innovative medicines and digital technologies in healthcare through subsidiaries, named “Vants”. Roivant has top talented employees with extensive experience in the pharmaceutical industry and data science field and creates unique data-related technologies and techniques which enable them to acquire compounds or technologies from academia and pharmaceutical/biotech companies and to drive efficiency in clinical development.

Sumitomo Dainippon Pharma will aim to achieve mid- and long-term growth through this Strategic Alliance, which will not only enable Sumitomo Dainippon Pharma to acquire a rich pipeline with multiple development compounds that are expected to be launched by FY2022, including potential blockbusters, but which will also help the entire Sumitomo Dainippon Pharma Group to enhance its R&D productivity and accelerate digital transformation.

## (2) Details of this Strategic Alliance

(i) While the contents of this Strategic Alliance are subject to due diligence, the two companies will start discussions toward the conclusion of a definitive agreement with the following:

- Sumitomo Dainippon Pharma will acquire Roivant's ownership interests in five companies including Myovant Sciences Ltd. (women's health and prostate cancer), Urovant Sciences Ltd. (urinary diseases), Enzyvant Therapeutics Ltd. (pediatric rare diseases), and Altavant Sciences Ltd. (respiratory rare diseases). These Vants have a promising development pipeline with multiple potential product approvals expected in the U.S. between FY2019 and FY2022, some of which are potential blockbusters.
- Sumitomo Dainippon Pharma will also have options to acquire Roivant's ownership interests in up to six additional Vants which will remain with Roivant after the execution of the definitive agreement. Sumitomo Dainippon Pharma may exercise the options for each company by the second half of FY2024. The total eleven Vants involved in this Strategic Alliance collectively have over 25 innovative clinical programs.
- Sumitomo Dainippon Pharma will acquire Roivant's DrugOme technology (a unique data analytics platform that assists in accelerating pipeline acquisition and clinical development), Digital Innovation technology (a platform that helps optimize operational processes through data analysis) and talented employees involved in these technologies, which Sumitomo Dainippon Pharma believes will contribute to increased efficiency of its drug development as well as digital transformation. Roivant will continue to utilize these technologies for its own business under separate contract.
- Sumitomo Dainippon Pharma will acquire a certain amount (over 10%) of Roivant's shares.
- In consideration of the above-mentioned transactions including the stock acquisitions and the transfer of pharma-related technology platforms, Roivant is expected to receive a total of US\$3 billion (approx. ¥320 billion) from Sumitomo Dainippon Pharma, subject to final agreement between the parties.

(ii) Pursuant to the Memorandum of Understanding, Sumitomo Dainippon Pharma will start discussions with Roivant toward the conclusion of a contract agreement which will enable the provision of services to Sumitomo Dainippon Pharma from Datavant (which has a platform with de-identification and linking technology of multiple external healthcare data to facilitate their use) and Alyvant (which has a platform for increasing efficiency of sales and marketing activities for pharmaceutical products through big data analytics), both of which are healthcare technology Vants that remain Roivant subsidiaries. This contract agreement is expected to enable Sumitomo Dainippon Pharma to maximize the value of its product portfolio, including new products from this Strategic Alliance.

"We respect Roivant's innovative business model and underlying culture, and we look forward to deepening our relationship with Roivant which has a rich development pipeline, technology platforms, and distinctive talents," said Hiroshi Nomura, Representative Director, President and CEO of Sumitomo Dainippon Pharma. "I am hopeful that through the strategic alliance between

the two companies, Sumitomo Dainippon Pharma will not only obtain growth engines after expiry of the U.S. market exclusivity of LATUDA®, but also address issues identified in the Mid-term Business Plan 2022 and contribute significantly to establish a position as a “Global Specialized Player” which we aspire to be by 2033 through our transformation into a novel pharmaceutical business model leveraging data and digital technologies.”

“We are pleased to enter into this relationship with Sumitomo Dainippon Pharma and we look forward to working closely with them to ensure the success of the alliance,” said Vivek Ramaswamy, Founder and Chief Executive Officer of Roivant. “Sumitomo Dainippon’s expertise in commercializing major products globally, combined with support from our technology-oriented Vants and the central Roivant platform, will enhance the value of the product portfolio included in this alliance. We view this partnership as a major validation of the Roivant platform and we will continue to launch other innovative Vants in the future.”

2. Outline of the Strategic Alliance partner

(1) Company name	Roivant Sciences Ltd.
(2) Address of headquarters	London and Basel
(3) Representative	Vivek Ramaswamy, Founder and CEO of Roivant Sciences
(4) Business description	Establishment and management of subsidiaries in new drug development and healthcare technology fields, analysis of healthcare data
(5) Date established	April 7, 2014

3. Schedule

(1) Board meeting resolution	September 6, 2019
(2) Signing of the Memorandum of Understanding	September 6, 2019
(3) Signing of definitive agreement	End of October 2019 (scheduled)
(4) Completion date of stock acquisition and pharma-related technology platforms transfer	TBD

4. Financial impact on group performance

Financial impact of this Strategic Alliance on Sumitomo Dainippon Pharma’s consolidated earnings results for FY2019 and beyond in the event of the signing of the definitive agreement is currently under review. Sumitomo Dainippon Pharma will announce any revisions to our financial forecasts or any other information that needs to be disclosed without delay.

**References**

About Roivant Sciences Ltd.

Roivant is a privately owned company founded in 2014. Roivant builds multiple “Vants” as subsidiaries– nimble, entrepreneurial biotech and healthcare technology companies. Each Vant

drives greater efficiency in R&D with a unique approach to sourcing talent and aligning incentives linked to each business while deploying data technology.

#### About Select Companies and Compounds in this Strategic Alliance

- These are 4 of the 5 initial companies in which Sumitomo Dainippon Pharma expects to acquire Roivant's ownership interests.
- Myovant Sciences Ltd.: Listed on the NYSE
  - Lead program: relugolix (generic name), oral GnRH receptor antagonist.
    - Phase 3 trials in uterine fibroids were successfully completed (NDA filing in the U.S. anticipated by end of Q4 FY2019)
    - Phase 3 trial for advanced prostate cancer is underway (topline results anticipated by end of Q4 FY2019)
    - Two Phase 3 trials for endometriosis are underway (topline results expected in Q4 FY2019 and Q1 FY2020)
- Urovant Sciences Ltd.: Listed on NASDAQ
  - Lead program: vibegron (generic name), oral beta-3 adrenergic receptor agonist.
    - Phase 3 trial for overactive bladder was successfully completed (NDA filing in the U.S. anticipated by end of Q4 FY2019)
    - Phase 3 trial for men with overactive bladder and benign prostatic hypertrophy
    - Phase 2 trial for irritable bowel syndrome(IBS)-associated pain
- Enzyvant Therapeutics Ltd.: Privately held by Roivant
  - Lead program: RVT-802, regenerative medicine / cell therapy. Enzyvant has filed a BLA in the U.S. for a proposed indication of pediatric congenital athymia. If approved, could be the first RMAT-designated therapy approved by the FDA. US commercial launch planned for FY2019.
- Altavant Sciences Ltd.: Privately held by Roivant
  - Lead program: rodatristat ethyl (generic name), tryptophan hydroxylase inhibitor under Phase 2 development for proposed indications of pulmonary artery hypertension (PAH), idiopathic pulmonary fibrosis, and sarcoidosis.

#### About the DrugOme technology

DrugOme is a platform that facilitates asset selection and informs clinical development strategy through computational techniques. This proprietary platform integrates data from the entire universe of drug development: molecules, targets, indications, institutions, and trials. These inputs help with the identification of high-value assets for further diligence and the optimization of development strategies.

#### About Digital Innovation technology

Digital Innovation is a platform for applying technology to business problems to optimize business value. The involved technologists are embedded in each Vant, and improve workflow by developing new technologies and enabling automation.

#### Disclaimer Regarding Forward-Looking Statements

This press release contains forward-looking statements that are based on management's assumptions and beliefs in light of information available up to the day of announcement and thus involve both known and unknown risks and uncertainties. Actual financial results and other situations of the future may differ materially from those presented in this press release due to various factors.

Information regarding Myovant Sciences Ltd. adapted from publicly available materials. For more information with respect to Myovant Sciences Ltd., including disclosure regarding the risks and uncertainties related to any forward-looking statements, please refer to Myovant Sciences' filings with the United States Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in Myovant Sciences' Quarterly Report on Form 10-Q filed on August 6, 2019, as such risk factors may be amended, supplemented or superseded from time to time.

Information regarding Urovant Sciences Ltd. adapted from publicly available materials. For more information with respect to Urovant Sciences Ltd., including disclosure regarding the risks and uncertainties related to any forward-looking statements, please refer to Urovant Sciences' filings with the SEC, including under the heading "Risk Factors" in Urovant Sciences' Quarterly Report on Form 10-Q filed on August 14, 2019, as such risk factors may be amended, supplemented or superseded from time to time.

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