

ASX Release

SUDA SIGNS ADDITIONAL LICENCE AGREEMENT WITH MITSUBISHI TANABE

- Additional licence agreement with one of the top Japanese pharmaceutical companies;
- SUDA grants Mitsubishi Tanabe Korea an exclusive licence for the rights to ZolpiMist™ for South Korea;
- Further evidence of SUDA's ability to build out the commercial potential for ZolpiMist;
- SUDA to receive an upfront fee of US\$100,000 plus a regulatory milestone of a further US\$100,000 on approval;
- SUDA will be entitled to commercial milestones of up to US\$300,000;
- SUDA to receive a 12% royalty;
- SUDA to supply the product and receive a handling fee;

PERTH, AUSTRALIA – 23 March 2020: SUDA Pharmaceuticals Ltd (ASX: SUD), a leader in oro-mucosal drug delivery, today announces that it has entered into an exclusive license agreement with Mitsubishi Tanabe Pharma Korea Ltd (MTPK), a wholly owned subsidiary of Mitsubishi Tanabe Pharma Corporation (MTPC) (“Agreement”).

Key terms of the Agreement:

- i. The Agreement is for an exclusive licence for, and supply of, ZolpiMist™ for South Korea with a term of ten years from first commercial sale.
- ii. SUDA will receive an upfront fee of US\$100,000 and a milestone payment based on MTPK obtaining regulatory approval of US\$100,000 as well as commercial milestone payments based on MTPK achieving sales targets of the product up to a maximum series of milestone payments of US\$300,000.
- iii. SUDA will also receive a double-digit royalty (12%) based on net sales of the product in the territory.
- iv. SUDA's obligations include the registration of ZolpiMist with the Australian TGA and the supply of ZolpiMist for which SUDA will receive a handling fee.

- v. SUDA and MTPK will work together under a Joint Development Committee and a Joint Management Committee to coordinate and oversee activities to ensure the success of the product within the territory.
- vi. The agreement is subject to standard termination clauses.

Mr David Phillips, SUDA's Executive Director of Business Development, commented: "We are very excited with the prospect of this partnership which will expand ZolpiMist coverage across Asia with MTPC.

"By completing another agreement with the MTPC, we continue to make progress with the build out of the commercialization of ZolpiMist into Korea and are in discussions with multiple parties for other territories also."

For and on behalf of the Board and for further information please contact:

Paul Hopper
Executive Chairman
SUDA Pharmaceuticals Ltd
Tel: +61 (0) 406 671 515
phopper@sudapharma.com

Dr Michael Baker
Chief Executive Officer
SUDA Pharmaceuticals Ltd
Tel +61 (0) 403 468 187
mbaker@sudapharma.com

NOTES TO EDITORS:

About SUDA Pharmaceuticals Ltd

SUDA Pharmaceuticals Ltd (ASX: SUD) is a drug delivery company focused on oro-mucosal administration, headquartered in Perth, Western Australia. The Company is developing low-risk oral sprays using its OroMist® technology to reformulate existing pharmaceuticals. The many potential benefits of administering drugs through the oral mucosa (i.e.: cheeks, tongue, gums and palate) include ease of use, lower dosage, reduced side effects and faster response time. SUDA's product pipeline includes ZolpiMist™, a first-in-class oral spray of zolpidem for insomnia. ZolpiMist is marketed in the USA and SUDA has rights to the product outside of the US and Canada. Other products in development include oral sprays for the treatment of: migraine headache; chemotherapy-induced nausea and vomiting; erectile dysfunction; pulmonary hypertension; epileptic seizures and pre-procedural anxiety and cancer.

For more information, visit www.sudapharma.com

About Mitsubishi Tanabe Pharma Corporation (MTPC)

Mitsubishi Tanabe Pharma Corporation, which was founded in 1678, has its headquarters in Doshomachi, Osaka, Japan, which is the birthplace of Japan's pharmaceutical industry. Mitsubishi Tanabe Pharma Korea (MTPK) is based in Seoul with the parent company MTPC. The Mitsubishi Tanabe Pharma corporate philosophy is to "contribute to the healthier lives of people around the world through the creation of pharmaceuticals." This philosophy expresses how they have returned to the basics of the discovery of pharmaceuticals and puts the fundamental purpose into words. In line with this philosophy, they strive to be a global research-driven pharmaceutical company that is trusted by society. Going forward, in accordance with the Group's shared values that "everything we do is for the patients," we will work to fulfil our social mission as a life sciences company by creating pharmaceuticals that are useful to people around the world and delivering those pharmaceuticals to patients

For more information, visit <https://www.mt-pharma.co.jp/e/>

About ZolpiMist™

ZolpiMist™ is a first-in-class, US-approved, cherry-flavoured, fast-acting oral spray of zolpidem tartrate (marketed under the brand name of Ambien® or Stilnox®), a non-benzodiazepine prescribed for the treatment of insomnia. It provides a convenient and easy-to-use alternative route of administration, by delivering a therapeutic dose with one or two actuations of the spray into the oral cavity. The pivotal studies demonstrated bioequivalence of ZolpiMist 5mg and 10mg doses with the respective Ambien tablets. The time to therapeutic levels of both ZolpiMist doses were significantly shorter than the corresponding Ambien tablets and ZolpiMist showed a faster onset of drowsiness. ZolpiMist advantages include reduced sleep latency, patient convenience, and ease of use as it is administered without the need of water, unlike conventional tablets. Also, it can benefit patients experiencing difficulties in swallowing and/or suffering with gastrointestinal (GI) disorders that restrict the absorption of drugs via the GI mucosa.