SillaJen and Lee's Pharmaceutical Announce First Patient Enrolled in the PHOCUS Trial in China Phase 3 Clinical Trial for Oncolytic Immunotherapy, Pexa-Vec, in Liver Cancer

Seoul, Korea, San Francisco, Ca., Hong Kong, China —Sept. 4, 2018 -- SillaJen, Inc., (KOSDAQ:215600), a clinical-stage, biotherapeutics company focused on the development of oncolytic immunotherapy products for cancer, and Lee's Pharmaceutical Holdings Ltd., announced the first patient has been enrolled in China in the Phase 3 PHOCUS clinical trial of the oncolytic immunotherapy Pexa-Vec (formerly JX-594) for advanced liver cancer.

The PHOCUS trial is designed to enroll 600 patients, worldwide, who have not received prior systemic treatment for their cancer, and they will be randomized to one of two treatment groups: one which will receive Pexa-Vec followed by sorafenib and one which will receive sorafenib alone. The randomized study is currently being conducted at approximately 86 sites worldwide including North America, Asia, Australia, New Zealand and Europe. The primary objective of the study will be to determine the overall survival of patients treated with Pexa-Vec, followed by sorafenib versus sorafenib alone. Secondary objectives will include safety as well as assessments for tumor responses between the two groups as measured by the following endpoints: time to progression, progression-free survival, overall response rate and disease control rate. To learn more about the trial, please visit: http://www.pexavectrials.com/.

"With more than 460,000 patients diagnosed with liver cancer in China each year, combined with the promise we have seen with Pexa-Vec in this patient population, we are happy to have enrolled the first patient in China in this important study," said Dr. Benjamin Li, chief executive officer of Lee's Pharma.

"As a physician who treats many liver cancer patients per year, I understand the great unmet need for these patients in Asia and around the world," stated Shukui Qin, M.D., vice president of Nanjing Bayi Hospital, and principal investigator on the PHOCUS trial in China. "I look forward to evaluating this potential treatment option in my patients."

"The PHOCUS trial is actively enrolling patients in 10 countries around the world at this point," stated Ghassan Abou-Alfa, M.D., PHOCUS study global principle investigator. "We are keenly aware of the unmet need in liver cancer in China, and it is our sincere hope that we will be able to offer Pexa-Vec to these patients in the years ahead."

About Pexa-Vec and the SOLVE™ Platform

Pexa-Vec is the most advanced product candidate from SillaJen's proprietary SOLVE™ (Selective Oncolytic Vaccinia Engineering) platform. The vaccinia strain backbone of Pexa-Vec has been used safely in millions of people as part of a worldwide vaccination program, and over 300 cancer patients

have been treated with Pexa-Vec to date. Pexa-Vec was engineered to target common genetic defects in cancer cells by deleting their thymidine kinase (TK) gene, thus making Pexa-Vec dependent on the cellular TK expressed at persistently high levels in cancer cells. Pexa-Vec is also engineered to express GM-CSF protein. GM-CSF complements the cancer cell lysis of the product candidate, leading to a cascade of events resulting in tumor necrosis, tumor vasculature shutdown and sustained anti-tumoral immune attack. Pexa-Vec has been shown to be effective when delivered both intratumorally and systemically by intravenous administration. Pexastimogene devacirepvec **(**Pexa-Vec) is currently being evaluated in a worldwide Phase 3 clinical trial for advanced primary liver cancer, and more information can be found at: **http://www.pexavectrials.com.**

About SillaJen's Regional Partners for Pexa-Vec

About Transgene

Transgene (Euronext: TNG), part of Institut Mérieux, is a publicly traded French biotechnology company focused on designing and developing targeted immunotherapies for the treatment of cancer and infectious diseases. Transgene's programs utilize viral vector technology with the goal of indirectly or directly killing infected or cancerous cells. The Company's lead clinical-stage programs are: TG4010, a therapeutic vaccine against non-small cell lung cancer, Pexa-Vec, an oncolytic virus against liver cancer, and TG4001, a therapeutic vaccine against HPV-positive head and neck cancers. The Company has several other programs in clinical development, including TG1050 (chronic hepatitis B) and TG6002 (solid tumors). With its proprietary Invir.IO™, Transgene builds on its expertise in viral vectors engineering to design a new generation of multifunctional oncolytic viruses. Additional information about Transgene is available at www.transgene.fr

About Lee's Pharma

Lee's Pharmaceutical Holdings Limited is a research-based biopharmaceutical company listed in Hong Kong with more than 20 years of operation in China's pharmaceutical industry. It is fully integrated with strong infrastructures in drug development, manufacturing, sales and marketing. It has established extensive partnership with more than 20 international companies and currently has 17 products in the market place. Lee's Pharm focuses on several key disease areas such as cardiovascular, oncology, gynecology, dermatology and ophthalmology. Lee's development program is lauded with over 50 products stemming from both internal R&D efforts and collaborations with US, European and Japanese companies, aspiring to combat diseases such as liver cancer and pulmonary hypertension. The mission of Lee's is to become a successful biopharmaceutical group in Asia providing innovative products to fight diseases and improve health and quality of life. Additional information about Lee's Pharmaceutical is available at www.leespharm.com.

About SillaJen

SillaJen, Inc. is a South Korean based biotechnology company headquartered in Busan South Korea, with satellite offices in Seoul, South Korea and San Francisco, CA. The company is focused on the development and commercialization of oncolytic immunotherapy products using the SOLVE™ platform, including its lead product Pexa-Vec, which is currently in Phase 3 trials for the treatment of advanced primary liver cancer. Additional information about SillaJen is available at www.sillajen.com.

SillaJen's Disclaimer Language:
This press release contains certain forward-looking statements regarding, among other things, statements relating to goals, plans and projections regarding the Company's financial position, results of operations, market position, product development and business strategy. Such forward-looking statements are based on current expectations and involve inherent risks and uncertainties, including factors that could delay, divert or change any of them, and could cause actual outcomes and results to differ materially from current expectations. No forward-looking statements can be guaranteed, and actual results may differ materially from such statements. The information in this release is provided only as of the date of this release, and SillaJen undertakes no obligation to update any forward-looking statements contained in this release on account of new information, future events, or otherwise, except as required by law.

Lee's Safe Harbor Statement
The performance and the results of operation of Lee's during the past years are historical in nature and past performance can be no guarantee of future results of the Lee's. This news release may contain forward-looking statements and opinions that involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. Neither Lee's nor the Directors, employees or agents of Lee's assume (a) any obligation to correct or update the forward-looking statements or opinions contained in this news release; and (b) any liability in the event that any of the forward-looking statements or opinions does not materialize or turns out to be incorrect.

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