



May 14, 2019

To whom it may concern:

Company name: SanBio Co., Ltd.  
Representative: Keita Mori, Representative Director  
and President  
(TSE Mothers Code: 4592)  
Contact: Yoshihiro Kakutani, Corporate Officer  
of Management Administration  
(TEL. +81-3-6264-3481)

### **Announcement of Issuance of New Shares Through an International Offering**

SanBio Co., Ltd. (the "Company") hereby announces that, at the meeting of the Board of Directors held on May 14, 2019, the Company resolved to issue new shares through an international offering (the "International Offering"), as follows.

#### **1. Background to and Purposes of Offering**

Following the favorable result in the Phase 2 trial for the treatment of traumatic brain injury (TBI), the Company now seeks to procure alternative contract manufacturers to enhance the production capacity of SB623 to ensure a stable supply and procure sufficient inventory with a view to covering the anticipated demands from the US, Japan and European markets.

#### **2. Issuance of New Shares through International Offering**

(1) Class and Number of Shares to be Offered	2,000,000 shares of common stock of the Company
(2) Method of Pricing	The pricing will take place on either May 14, 2019 or May 15, 2019 through a process equivalent to the book-building process provided under Article 25 of the Regulations concerning Underwriting of Securities, etc. of the Japan Securities Dealers Association.
(3) Amount of Stated Capital and Additional Paid-in Capital to be Increased	The amount of stated capital to be increased will be half of the maximum amount of the stated capital increase, as calculated in accordance with Article 14, Paragraph 1 of the Rules on Account Settlement of Corporations with any fraction less than one yen resulting from the calculation being rounded up to the nearest one yen. The amount of additional paid-in capital to be increased will be the amount obtained by subtracting the relevant amount of stated capital to be increased from the relevant maximum amount of stated capital increase.
(4) Method of Offering	The International Offering will be made in overseas markets, mainly in Europe and Asia (except for the United States and Canada)
(5) Date of Payment	May 29, 2019

<Reference>

## 1. Total Number of Issued Shares Before and After the Issuance of New Shares

Current total number of issued shares: (as of April 30, 2019)	49,733,223 shares
Number of shares to be issued by the issuance of new shares:	2,000,000 shares
Total number of issued shares after the issuance of new shares:	51,733,223 shares
Note: As the Company has issued the stock acquisition rights, the number of shares issued upon exercise of the stock acquisition rights on and after May 1, 2019 is not included in total number of issued shares after the issuance of new shares.	

## 2. Use of Proceeds

Net proceeds from the International Offering will be used for the procurement of alternative contract manufacturers to increase production capacity of SB623 to ensure a stable supply and secure sufficient inventory of SB623 for the treatment of TBI.

## 3. Stock-borrowing scheme

A limited stock-borrowing scheme is agreed by certain shareholders in which the maximum number of 2,000,000 shares can be borrowed for the sole purpose of facilitating an earlier delivery to the purchasers' allocation in the International Offering only if requested by the purchaser.

Note: This press release does not constitute an offer of any securities for sale. This press release has been prepared for the sole purpose of publicly announcing the International Offering, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. This press release is not an offer of securities for sale in the United States. The securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended (the "Securities Act"). The securities referred to herein have not been, and will not be registered under the Securities Act. If any public offering of securities is made in the United States, it will be by means of a prospectus that may be obtained from the Company that will contain detailed information about the Company and its management, as well as financial statements of the Company. The securities referred to herein will not be publicly offered in the United States and a prospectus in English has not been prepared for the International Offering. As the offering in connection with the issuance of new shares referred to herein will be made outside Japan and only to the non-residents of Japan, registrations or notifications under the Financial Instruments and Exchange Act of Japan (the "FIEA") will not be made, and a prospectus under the FIEA will not be prepared.

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### Note on translation

This is an abbreviated translation of the original Japanese document and is provided for informational purpose only.