November 6, 2025

To whom it may concern:

Company name: SanBio Co., Ltd.
Representative: Keita Mori, Representative Director and President
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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 dated November 6, 2025, the Company resolved to issue new shares through an international offering (the "International Offering"), as follows.

1. Background to and Purposes of the International Offering

On July 31, 2024, the Company obtained from the Ministry of Health, Labour and Welfare a conditional and time-limited marketing approval for the Company's primary development product SB623 (Note1) in the form of "AKUUGO® suspension for intracranial implantation" ("AKUUGO®") (Note2) in Japan, for the indication of "improving chronic motor paralysis resulting from traumatic brain injury." Subsequently, upon meeting the necessary terms and conditions for shipment, the Company completed filing a partial change application of marketing approval on June 12, 2025, and at a meeting of the Pharmaceutical Affairs Council's Subcommittee on Regenerative Medicine Products and Biologically Derived Technologies held on October 16, 2025, a determination was expressed to the effect that approval of a partial amendment was possible.

Funds raised through the International Offering will be allocated to establishing infrastructure and conducting marketing activities for the full-scale launch of "AKUUGO®" in Japan, costs pertaining to Phase 3 clinical trials for the SB623 traumatic brain injury program commencing in the U.S., as well as clinical trial costs for the SB623 cerebral infarction program in Japan. It is believed that this use of funds will drive the growth of the Company Group and contribute to enhancing corporate value.

(Note1) SB623 is a pharmaceutical product with neuro-regenerative effects, which is promoting the body's natural regenerative processes for functions, targeting the restoration of loss motor, sensory, and cognitive functions.

(Note2) AKUUGO® suspension for intracranial implantation (INN: vandefitemcel) is a human (allogeneic) bone marrow-derived modified mesenchymal stem cell that is produced by modifying and culturing mesenchymal stem cells derived from the bone marrow aspirate of healthy adults. The transplantation of AKUUGO® into damaged nerve tissues in the brain is expected to trigger the release of a type of protein and other substances, which in turn will promote the natural regenerative ability of damaged nerve cells and induce proliferation and differentiation of nerve cells.

2. Issuance of New Shares Through the International Offering

(1)	Class and Number of Shares to be Offered	6,000,000 shares of common stock of the Company
(2)	Method of Determination of Amount to be Paid in	The amount to be paid in will be determined on a day (the "Pricing Date") within the period from November 6, 2025 (Thu) to November 7, 2025 (Fri) in accordance with a method that is equivalent to the bookbuilding method set forth in Article 25 of the Rules Concerning Underwriting, Etc. of Securities promulgated by the Japan Securities Dealers Association.
(3)	Amount of Capital Stock and Capital Surplus to be Increased	Capital stock will increase by the amount which is 50% of the "maximum permitted increase in capital stock," as calculated in accordance with the provisions of Article 14, Paragraph 1 of the Rules of Account Settlement of Corporations, rounding up any fraction of less than one yen resulting from such calculation to the nearest yen. Capital surplus will increase by the remainder of the maximum permitted increase in capital stock after deducting the amount of increase in capital stock.
(4)	Method of Offering	The International Offering will be made in overseas markets, mainly in Europe and Asia (but excluding the United States and Canada).
(5)	Compensation for the Underwriter	The Company will not pay any underwriting fees to the underwriter (the "Underwriter"). The aggregate amount of the difference between (a) the issue price (the offer price) in the International Offering and (b) the amount to be paid in to the Company by the Underwriter will constitute the proceeds to the Underwriter.
(6)	Payment Date	November 21, 2025 (Fri)
(7)	Delivery Date	November 25, 2025 (Tue)
(8)	Subscription Unit	100 shares

(9) Determination of the issue price (the offer price), the amount to be paid in, the amount of increase in stated capital and capital reserves, and all other matters necessary for the International Offering, as well as the implementation of all related procedures (including preparation, signing, and delivery of related contracts and documents) will be left to the discretion of the Representative Director and President.

Reference

1. Change in Total Number of Issued Shares as a Result of the Issuance of New Shares

Current total number of issued shares:	72,028,331 shares
(as of October 31, 2025)	(Note)
Increase in number of shares by the issuance of new shares:	6,000,000 shares
Total number of issued shares after the issuance of new shares:	78,028,331 shares

Note: As the Company has issued stock acquisition rights, the increase in the total number of issued shares upon exercise of the stock acquisition rights on and after November 1, 2025 is not included in the above figures.

2. Use of Proceeds

The intended uses of 14,482 million yen in net proceeds (after expenses) from the International Offering are as follows.
The estimated net proceeds from the International Offering are expected to be applied to:

1) 1,348 million yen by the end of January 2028 for the establishment of AKUUGO® adoption infrastructure in Japan, primarily for preparation and implementation of post-marketing clinical trials and their data analysis, as well as for the establishment of mechanisms infrastructure to ensure the safe and appropriate use of AKUUGO®.

2) 9,558 million yen by the end of January 2028 for the costs pertaining to clinical trials for the SB623 traumatic brain injury program in the U.S. market, primarily covering the development of clinical trial protocols, the conduct of clinical trials and the analysis of these data.

3) 3,576 million yen by the end of January 2028 for the costs pertaining to clinical trials for the SB623 cerebral infarction program in Japan, primarily covering the development of clinical trial protocols, the conduct of clinical trials and the analysis of these data.

The amount of net proceeds stated above is an estimated amount whose calculation is based on the closing price for shares of common stock of the Company in regular trading on Tokyo Stock Exchange, Inc. as of November 5, 2025 (Wed).

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