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### **Summary of Procurement of Funds in the First Half of the Fiscal Year Ending January 31, 2020**

SanBio Company Limited (hereafter, “the Company”) hereby announces an overview of funds procured in the first half of the fiscal year ending January 31, 2020.

#### Overview of funds procured in the first half of the fiscal year ending January 31, 2020

Contracting party	Form of funding	Amount of funds procured	Date of agreement (or date of approval)	Use of funds
	Equity finance (ABB: Accelerated Book Building)	¥7,100 million		<ul style="list-style-type: none"><li>• Secure alternative contract manufacturers to increase mass production capacity for SB623, with view to covering anticipated increase in demand from US and European markets</li><li>• Store manufactured SB623 as inventory for use within Japan in treating chronic motor deficit from traumatic brain injury (TBI)</li></ul>

The receipt of grant monies from the California Institute for Regenerative Medicine (CIRM) has ended following completion of the Phase 2b clinical trial of SB623 targeting chronic motor deficit from ischemic stroke. Initially, the grant was intended to total \$20 million, but as expenditure on the Phase 2b trial of SB623 was only the part of allocated to \$20 million, grant installments from CIRM ended up totaling \$19 million.

(Reference)

Overview of funds procured in the fiscal year ended January 31, 2019

Contracting party	Form of funding	Amount of funds procured	Date of agreement (or date of approval)	Use of funds
Mizuho Bank, Ltd.	Commitment line	¥2,000 million	December 2018	• Establishment of manufacturing, logistics, and sales systems for SB623 following its launch
MUFG Bank, Ltd.	Commitment line	¥2,000 million	November 2018	• Establishment of manufacturing, logistics, and sales systems for SB623 following its launch
Sumitomo Mitsui Banking Corporation	Commitment line	¥1,000 million	November 2018	• Establishment of manufacturing, logistics, and sales systems for SB623 following its launch
	Equity finance (share acquisition rights with an exercise price adjustment clause by third-party allotment)	¥11,000 million		• Establishment of manufacturing, logistics, and sales systems for SB623 following its launch • Development of programs targeting chronic motor deficit from ischemic stroke in Japan and R&D for expanding target regions to market SB623 in the future • R&D for expanding indications for SB623 and in-licensing new drug candidates
		Total: ¥16,000 million		

Overview of funds procured in the fiscal year ended January 31, 2018

Contracting party	Form of funding	Amount of funds procured	Date of agreement (or date of approval)	Use of funds
MUFG Bank, Ltd. Note 1	Borrowing	¥900 million	March 2017	• Phase 2b clinical trial for the treatment of chronic motor deficit from ischemic stroke in the US • Phase 2 clinical trial for the treatment of chronic motor deficit from TBI in the US and Japan
California Institute for Regenerative Medicine (CIRM)	Grant	\$19 million (¥2,090 million) Note 2	June 2017	• Phase 2b clinical trial for the treatment of chronic motor deficit from ischemic stroke in the US
Mizuho Bank, Ltd.	Commitment line	¥1,600 million	August 2017	• Cash in reserve for Phase 2 clinical trial for the treatment of chronic motor deficit from TBI in the US and Japan
MUFG Bank, Ltd. Note 1	Commitment line	¥500 million	October 2017	• Cash in reserve for Phase 2 clinical trial for the treatment of chronic motor deficit from TBI in the US and Japan
		Total: ¥5,090 million		

Note 1: Due to functional realignment within the Mitsubishi UFJ Financial Group, the contracting party changed from Mitsubishi UFJ Trust and Banking Corporation to MUFG Bank, Ltd.

Note 2: Exchange rate: \$1=¥110. The receipt of grant monies from the CIRM has ended, with installments ultimately totaling \$19 million.

Overview of funds procured in the fiscal year ended January 31, 2017

Contracting party	Form of funding	Amount of funds procured	Date of agreement (or date of approval)	Use of funds
Mizuho Bank, Ltd.	Commitment line	¥1,000 million	March 2016	•Cash in reserve for Phase 2 clinical trial for the treatment of chronic motor deficit from TBI in the US and Japan