May 16, 2022

SymBio Pharmaceuticals Limited
Fuminori Yoshida
Representative Director,
President and Chief Executive Officer

Notice of the Issuance of New Shares and the 58th Stock Acquisition Rights through Third-party Allotment

TOKYO, Japan, May, 16, 2022—SymBio Pharmaceuticals Limited (TSE: 4582) ("SymBio" or the "Company") announced that at a Board of Directors meeting held today, it resolved to issue new shares ("the "Shares") and the 58th stock acquisition rights (the "Stock Acquisition Rights") through a third-party allotment, and to enter into a purchase agreement for the Shares and the Stock Acquisition Rights (the "Purchase Agreement") on the same day, on condition of the filing submitted in accordance with the Financial Instruments and Exchange Act becoming effective.

CVI Investments, Inc., the allottee for the Shares and the Stock Acquisition Rights (the "Allottee"), is managed by Heights Capital Management, Inc., a member of Susquehanna International Group. As one of the world's largest financial conglomerates, the Susquehanna International Group has invested in, and manages assets for, over 100 biotech projects. The group has extensive expertise in global investments, and its policy is to promote the growth of its investees while building favorable relationships with them.

The Allottee is a widely known institutional investor that has the flexibility to make medium- to long-term investments, and SymBio thinks it can help accelerate its growth as a capital partner in the future.

1. Summary of Subscription

[Overview of the Issuance of the Shares]

(1)	Date of allotment	June 1, 2022
(2)	Number of new shares to be issued	1,000,000 common shares
(3)	Issue price	¥662 per share
(4)	Amount of funding	¥662,000,000
(5)	Method for subscription or allotment	Third-party allotment
(6)	Allottee	CVI Investments, Inc.
(7)	Others	SymBio will enter into a Purchase Agreement for the Shares with the Allottee, after the filing submitted in accordance with the Financial Instruments and Exchange Act becomes effective.

[Overview of the Issuance of the Stock Acquisition Rights]

(1)	Date of allotment	June 1, 2022
(2)	Total number of stock acquisition rights	20,000 units
(3)	Issue price	Total of ¥13,760,000 (¥688 per unit of the Stock Acquisition Rights)
(4)	Number of dilutive shares from the issuance	Number of dilutive shares: 2,000,000 shares (100 shares per unit of the Stock Acquisition Rights) The exercise price shall not be revised.
(5)	Amount of funding (value of property to be contributed in exercising the Stock Acquisition Rights)	¥1,583,760,000 (Note)
(6)	Exercise price and conditions for revising the exercise price	Exercise price of ¥785 The exercise price shall not be revised.
(7)	Exercise period	From June 2, 2022 to June 1, 2027
(8)	Method for subscription or allotment	Third-party allotment
(9)	Allottee	CVI Investments, Inc.
(10)	Others	The Purchase Agreement stipulates the following. (1) The issuance of the Stock Acquisition Rights to be allotted to the aforementioned Allottee is conditional on the following requirements, etc., being satisfied. 1) The representations and warranties made by SymBio in the Purchase Agreement are accurate in material respects, and the Company has fulfilled its important pledges. 2) No injunction, etc., has been made against the issuance of the Stock Acquisition Rights. 3) SymBio's shares have not been delisted. 4) No events have occurred that could have a material adverse impact on SymBio. 5) SymBio has not omitted to inform the Allottee of undisclosed material facts related to the Company. (2) The transfer of the Stock Acquisition Rights (provided, however, that transfers to Bank of America, J.P. Morgan, Goldman Sachs & Co., and their affiliates shall be excluded from the perspective of reducing management costs for the Allottee) shall require the approval of SymBio's Board of Directors. In case the Stock Acquisition Rights are transferred, the rights and obligations of the Allottee will be inherited by the transferee. In addition, as outlined in "3. Overview of the Funding Method and Reason for Selection, (1) Overview of the Funding Method" and in "7. Reasons for

Note: This document does not constitute an investment solicitation for any securities for sale. This document has been prepared to publicly announce matters related to the issuance of the common stock and 58th stock acquisition rights, and not for the purpose of soliciting investment. This document does not constitute an offer of investment in nor solicitation for purchase of the common stock and 58th stock acquisition rights within the United States. Regarding the common stock and 58th stock acquisition rights, SymBio has not registered, and is not scheduled to register, any of them under the United States Securities Act of 1933. The securities may not be offered or sold in the United States without a registration or an exemption from registration under the United States Securities Act of 1933. No offer of securities in the United States will be made in connection with this transaction.

	Having Chosen the Allottee, etc., (5) Lock-up Period, etc.," the Purchase Agreement stipulates conditions related to purchase of the Stock Acquisition Rights and conditions related to a lock-up period for the issuance of the new shares, etc.

(Note) If the Stock Acquisition Rights are not exercised during the exercise period, and SymBio cancels the Stock Acquisition Rights it has acquired, the amount of funding may decrease.

2. Purposes of and Reasons for the Subscription

SymBio has explored various funding methods to raise the funds described in "Purpose of the Funding" below. While it found that different funding methods such as a capital increase through a public offering or moving strike convertible bonds (MSCBs) each offered advantages and disadvantages as described in "3. Overview of the Funding Method and Reason for Selection, (2) Reason for Selection of the Funding Method (Comparison with Other Funding Methods)" below, the Company determined that the issuance of the Shares and the Stock Acquisition Rights discussed with the Allottee (the "Funding") and described in "3. Overview of the Funding Method and Reason for Selection, (1) Overview of the Funding Method" below, was the most suitable match for its funding needs, given the advantages described in "3. Overview of the Funding Method and Reason for Selection, (2) Reason for Selection of the Funding Method (Characteristics of the funding)" below, and after taking into account the disadvantages described in "3. Overview of the Funding Method and Reason for Selection, (2) Reason for Selection of the Funding Method (Characteristics of the Funding)."

[Purpose of the Funding]

SymBio is a pharmaceutical company established in March 2005 by Fuminori Yoshida, who previously served concurrently as Corporate VP of Amgen Inc. (U.S.) (Note 1) and President of Amgen K.K., a wholly owned subsidiary of Amgen Inc., (now part of Takeda Pharmaceutical Company Limited) for roughly 12 years since its establishment.

The Company aims to achieve its social and management responsibilities by responding to unmet medical needs (Note 2) based on the guiding principle of mutual harmony, creating an intricate symbiotic relationship between patients, physicians, scientists, regulators, and investors.

(Note 1) Applied Molecular Genetics Inc. ("Amgen"), the world's largest company in the biopharmaceutical field, was founded in Thousand Oaks, California, in 1980, and started operating in Japan as Amgen K.K. in May, 1993. After Takeda Pharmaceutical Company Limited acquired all of Amgen K.K.'s shares in February 2008, its operations were merged into Takeda Pharmaceutical.

(Note 2) "Unmet medical needs" are requirements for medical treatment that have not yet been fulfilled. The term refers to situations in which no effective drugs or treatments are currently available, despite strong demand by patients and/or physicians.

Much of the research and development into orphan drugs to treat rare diseases (Note 3) in the areas of oncology and hematology is conducted not by major pharmaceutical companies but rather by a large number of universities, research institutions, and biotech startup companies mainly in Europe and the U.S., which actively engage in drug discovery research and new drug development, and already provide numerous useful new drugs to medical sites overseas. However, development in these fields is complex and therefore requires a high degree of specialization, making it difficult for major pharmaceutical companies to embark on such development from a business efficiency and profitability standpoint. As a result, these fields remain untapped not only in Japan but in many countries around

the world. SymBio regards underserved therapeutic areas with extremely significant medical needs as business opportunities, and it concentrates particularly on the areas of oncology and hematology, where high barriers to entry exist due to the high degree of specialization required. In this sense, it is the first specialty pharmaceutical company (Note 4) in Japan. Rather than exploring opportunities to in-license and develop new "blockbuster" drugs (drugs with sales exceeding ¥100 billion), the Company channels its resources into the development of drugs for underserved markets where medical needs are high despite limited patient numbers. Holding multiple drug approvals and new drug candidates in these key therapeutic areas, the Company has built a solid pipeline portfolio with the aim of achieving high profitability with high-value products and services and operating sustainable businesses.

SymBio was founded with the corporate mission of developing and supplying new drugs to serve these types of underserved markets. It regards short-term development of drugs for patients who face treatment problems due to the lack of development of new drugs, and the rapid delivery of therapeutic drugs as its top priority, and it aims to concurrently fulfill its corporate mission and achieve sustainable growth as a company by contributing to medicine and the healthy development of the pharmaceutical industry.

(Note 3) The rare-disease field is one in which the number of patients requiring drugs is small. Drugs for this field are called "orphan drugs." The Japanese Ministry of Health, Labour and Welfare (MHLW) has established an orphan drug designation system for drugs meeting criteria such as treating a serious disease that affects less than 50,000 people in Japan, and being highly necessary as a medical treatment. Once the designation is obtained, a drug enjoys various advantages including expediting the time from regulatory submission for review of the drug to approval, and the extension of the re-examination period for up to 10 years.

(Note 4) A specialty pharmaceutical company is a company that develops new drugs and has earned a certain degree of recognition, including internationally, for its research and development capabilities in a specialized field (according to the definition included in the "2007 Pharmaceutical Industry Vision" of the MHLW).

Two well-known characteristics of the drug discovery business are that the development of new drugs requires massive amounts of investment over a long period of time, and that probability for success in research and development is extremely low. It is said that, as a general rule, the probability of a compound that is deemed to have some type of biological or physiological activity (Note 5) in a research laboratory being approved as a new drug is only one in 20,000 to 25,000 (source: "Pharmaceutical Industry Textbook 2020–2021," Japan Pharmaceutical Manufacturers Association). Further, it has become increasingly difficult to maintain the profitability of approved drugs over the long term, in large part because drug prices are now revised down annually following a major overhaul in the Japanese drug price system in 2018. SymBio has developed a business model that takes into account these challenges of the drug discovery business.

To reduce the various risks and costs associated with development, rapidly and reliably advance clinical trials for new drug candidates, and accordingly expedite the period from the start of development to approval of the new drug, the Company mainly targets compounds for which a proof of concept (POC) (Note 6) has already been established in human subjects, and for which preclinical and clinical trial data are available. It uses its proprietary search network and evaluation process to identify new compounds, which are first screened in-house by a team of specialized staff with extensive internal experience. Thereafter, its Scientific Advisory Board (SAB) (Note 7) determines the final in-licensing candidate after rigorous evaluation by external experts who possess a wealth of experience at the forefront of therapeutic research in related fields.

Through this rigorous selection process conducted by internal and external experts, SymBio continually secures rights to develop, manufacture, and market drugs—chiefly drugs in the areas of oncology and hematology for which a POC has been established in human subjects, developed by pharmaceutical companies, biotech startup companies,

and other parties—around the world, particularly in Japan, Asian countries, Europe, and the U.S., and accordingly operates a sustainable business. In addition to the aforementioned selection process, a key factor in being able to in-license commercially viable and attractive drug candidates with a high probability of success has been gaining a favorable reputation among licensers, which provide the drug candidates under development, by virtue of development capabilities in highly complex therapeutic fields such as oncology and hematology. Such a reputation hinges on (1) the formulation of appropriate clinical trial protocols, (2) the selection of appropriate clinical trial subjects for the treatment under development, and (3) the presence of competent development staff with a high degree of specialization who can build and maintain fair relationships with medical professionals in the relevant areas. The combination of these three factors has powered the Company's development capabilities, facilitating steady yet rapid development. In the case of the anticancer agent SyB L-0501, the Company deployed a development team mainly composed of human resources who have experience working at development units of major pharmaceutical companies with a track record in the areas of oncology and hematology. The team managed to complete the process from in-licensing to approval filing in only four years, from 2005 to 2009. This achievement not only earned the Company high praise from licensers, partners, and companies that develop in-licensing drug candidates, but also contributed to a subsequent increase in the number of in-licensing candidates being considered by the Company and multiple in-licensed drugs being added to the Company's product pipeline.

On the development front, SymBio mainly handles tasks that are central to its fundamental development strategy such as design of clinical trials, cooperation with overseas studies, and coordination with medical professionals. It outsources routine development work to a contract research organization (CRO) (Note 8), relying on external resources, and manufacturing work to the original licensor or pharmaceutical companies in Japan or overseas deemed trustworthy by the Company.

In terms of sales, SymBio had sold its products in Japan through Eisai Co., Ltd. under a business partnership agreement concluded in August 2008. However, as this agreement was set to expire in December 2020, the Company began preparations to build its own salesforce for domestic sales of TREAKISYM® (Note 9) from October 2018. Specifically, the Company formed a nationwide salesforce composed of medical representatives (MRs) (Note 10) with extensive expertise in the areas of oncology and hematology, pushed ahead with the development of distribution and logistics functions, formulated marketing strategies and plans, and worked to strengthen its marketing systems used to conduct market surveys. Through such initiatives, it cultivated favorable relationships with key opinion leaders (KOL) (Note 11) in the relevant therapeutic fields, ascertained precise medical needs, conducted market research, prepared systems to captures various data and expertise, and ultimately transitioned to its own salesforce upon the expiration of the aforementioned agreement in December 2020 as scheduled.

(Note 5) Physiological activity is the property of chemical substances having an effect on specific physiological, regulatory functions of the body. Physiologically active chemical substances can be applied in treatments for rare diseases, in which case they become pharmaceuticals.

(Note 6) Proof of concept (POC) means confirming the efficacy and safety of a new drug candidate in clinical trials and verifying its practical potential.

(Note 7) The Scientific Advisory Board (SAB) of SymBio creates a product portfolio with a balanced risk–return trade-off selected from a vast number of drug candidates from around the world, and formulates the pipeline strategy by exchanging opinions and proposals and engaging in thorough discussion from different professional standpoints about factors such as the degree of medical demand and profitability. As such, it is an essential evaluation body of the Company. The SAB convenes two to three times per year, and is attended by highly experienced clinicians and fundamental scientists with an excellent track record from around the world, who serve as advisors on drug discovery research and new drug development to

the Company.

(Note 8) A contract research organization (CRO) is an organization that undertakes certain operations under contract for pharmaceutical companies, thus supporting the latter in their efforts to conduct development activities without delay. The details of the commissioned activities may include monitoring to ensure that clinical trials are carried out in accordance with clinical trial protocols and clinical data management.

(Note 9) TREAKISYM® (development code: SyB L-0501, generic name: bendamustine hydrochloride or bendamustine hydrochloride hydrate)

(Note 10) Medical representatives (MRs) possess expert knowledge about the pharmaceutical products supplied by the Company, and mainly provide, collect, and disseminate information regarding the quality, efficacy, safety, and other aspects of such products when visiting medical institutions and holding meetings with medical professionals.

(Note 11) Key opinion leaders are physicians who wield influence over peers in their therapeutic field.

To achieve success in the aforementioned operations, SymBio mainly pursues the following five business strategies.

(a) Reducing development risk through post-POC strategy

As a rule, the drug candidates in-licensed by SymBio (Note 12) are mainly drug candidates for which a POC has already been established in human subjects. Consequently, the Company targets drug candidates that are in a relatively late stage of clinical development or are already on the market overseas. It is able to mitigate development risk by using in-licensed drug candidates that have already undergone development overseas and have been confirmed to be effective and safe as a new drug in human subjects. It uses existing clinical data available overseas to expedite development timelines, reduce development costs, and increase the likelihood of securing regulatory approvals in Japan and other countries around the world.

(Note 12) In-licensed drug candidates are compounds developed by other companies for which SymBio considers acquiring development and other rights as a development candidate.

(b) Building a high-quality pipeline with exceptional search and evaluation capabilities

SymBio's drug search engine is connected to a diverse network of pharmaceutical and bio venture companies, enabling it to select promising drug candidates from a vast number of chemical compounds based on careful review by internal experts. The final in-licensing candidates are carefully evaluated by Scientific Advisory Board (SAB) members with a wealth of experience at the forefront of research, and determined based on their advice and assessment. This advanced screening process up to the final selection of drug candidates, coupled with the post-POC strategy (which involves in-licensing drug candidates whose efficacy and safety have already been confirmed overseas), reduces development risk and expedites development timelines. It also helps the Company understand whether the drug candidates could meet healthcare needs (i.e., whether they are needed in medical settings), and improves the accuracy of earnings projections after a product launch.

(c) Controlling fixed costs through lableless/fabless strategy (Note 13)

SymBio does not operate any proprietary research or manufacturing facilities, which are a major source of fixed costs. In the absence of such facilities, once drug candidates are searched and in-licensed, the Company focuses on value-added activities such as the formulation and implementation of development strategies, and outsources other necessary routine procedures. This enables the Company to reduce drug development costs while maintaining a flexible financial strategy.

(Note 13) A lableless/fabless strategy allows SymBio to avoid the risks of procuring and holding research facilities, production facilities, and human resources, and channel or concentrate its limited management resources into value-added areas such as planning, development, design, and marketing.

(d) Achieving high business efficiency through "blue ocean" strategy (Note 14)

Many standard drugs used overseas cannot be prescribed in Japan, and it is not uncommon for a new drug to be launched in Japan nearly five years behind its initial approval overseas. Referred to as "drug lag," this problem continues to intensify and has led to the term "cancer patient refugee" being coined. The drug lag is particularly conspicuous in SymBio's strategic drug development areas of refractory cancer and hematological diseases. Japan constitutes a large market for anticancer agents that continues to expand with the aging population. However, because anticancer agents have a wide range of indications and are broken up by the type of tumor, many therapeutic areas only have a limited number of patients. Developing new agents in these therapeutic areas is difficult and requires an extremely high degree of specialization, making these areas often financially unattractive

for larger pharmaceutical companies to pursue. This is said to be part of the cause of the delay in drugs coming to market. On the other hand, SymBio believes that obtaining approval and launching a new drug in one of these less competitive therapeutic areas creates an opportunity to achieve further growth and profitability by continuously expanding indications and bringing new products to the market.

(Note 14) A "blue ocean" strategy means a strategy of redefining the market, avoiding marketplaces with fierce competition in which rivals seeks to gain limited market share (referred to as "red oceans"), and instead creating an unexploited market with reduced competition (referred to as "blue oceans") in an effort to maximize profits while providing high-value products and services to customers.

(e) Going global beyond Asia

To date, SymBio has mainly operated its businesses in Japan and other countries in Asia. However, amid a major transformation in the business environment of the Japanese healthcare industry, the Company cannot hope to evolve substantially if its operations remain confined to Asia. For this reason, the Company searches for and evaluate new drug candidates with an eye toward global development. In September 2019, the Company concluded an exclusive global licensing agreement for antiviral drug brincidofovir ("BCV") with Chimerix Inc. (head office: North Carolina). Under this agreement, the Company acquired the exclusive rights for the worldwide development, marketing, and manufacture of BCV for all human indications, excluding smallpox.

In March 2021, the Company filed an Investigational New Drug (IND) application with the U.S. Food and Drug Administration (FDA) to start a Phase II clinical trial primarily in pediatric patients (including adults) suffering from adenovirus (AdV) infections after hematopoietic stem cell transplantation. In April 2021, the FDA granted the development program a fast-track designation. In August 2021, the investigational drug was administered to the first patient enrolled in the study (first patient in or FPI). Further, in January 2022, the Company filed a Clinical Trial Application (CTA) with the Medicines and Healthcare products Regulatory Agency (MHRA) of the U.K.

Based on the efficacy and safety findings from clinical trials targeting AdV infections, the Company plans to investigate the efficacy of BCV against a range of double-stranded DNA (dsDNA) viral infections (Note 15) after hematopoietic stem cell transplantation, and expand target indications to include multiple viral infections. It also plans to explore the possibility of expanding target areas to viral infections associated with kidney and other organ transplants, cancer, or other treatments. In doing so, it aims to expand the market for BCV and maximize the drug's business value.

(Note 15) Double-stranded DNA (dsDNA) viruses include adenoviridae, polyomaviridae, papillomaviridae, poxviridae families of viruses, such as cytomegalovirus (CMV), adenovirus (AdV), Epstein-Barr virus (EBV), herpes virus (HV), BK virus (BKV), papillomavirus, and smallpox virus

[Progress with SymBio's Development Pipeline]

SymBio currently has the following pipeline products under development: SyB L-0501 (TREAKISYM® FD formulation), SyB L-1101 (rigosertib injection), SyB C-1101 (rigosertib oral), SyB L-1701 (TREAKISYM® RTD formulation), SyB L-1702 (TREAKISYM® RI injection), and SyB V-1901 (brincidofovir). It will continue to in-license candidate drugs to further expand and build its pipeline portfolio with a balanced risk–return trade-off.

Product	Indication	Phase I	Phase II	Phase III	NDA	MA
SyB L-0501 TREAKISYM® Freeze-dried	r/r Low-grade NHL/MCL	Approved October 2010				
	CLL	Approved August 2016				
	1st line Low-grade NHL/MCL	Approved December 2016				
	r/r DLBCL	Approved March 2021				
SyB L-1701 TREAKISYM® Liquid (Ready-to-Dilute)	All except for r/r DLBCL	Approved September 2020				
	r/r DLBCL	Approved April 2021				
SyB L-1702 TREAKISYM® Liquid (Rapid Infusion)	All	Approved February 2022				
SyB V-1901 Brincidofovir IV	Adenovirus infection after allogeneic hematopoietic stem cell transplantation (Global) (US・UK)	Multinational phase II study ongoing				
	BKV infection post kidney transplantation (Global) (JPN・AU)	Preparing for clinical trial				
	CMV infection GBM (Global) (US)	(Preclinical study ongoing)				
SyB L-1101 Rigosertib IV	Relapse/ refractory high risk MDS monotherapy	Global phase III study additional analysis				
SyB C-1101 Rigosertib Oral	Relapse/ refractory high risk MDS	Japan study completed				
	1st line high risk MDS combination with AZA	Global phase I/II study completed				

(1) [Anticancer agents: SyB L-0501 (FD formulation), SyB L-1701 (RTD formulation), SyB L-1702 (RI injection), (generic name: bendamustine hydrochloride or bendamustine hydrochloride hydrate, trade name: TREAKISYM®)]

Bendamustine hydrochloride (the generic name), the active pharmaceutical ingredient of SyB L-0501, is an anticancer agent that has been in use for a number of years in Germany under the trade name of Ribomustin® for the treatment of non-Hodgkin's lymphoma, multiple myeloma, and chronic lymphocytic leukemia. The Company decided to in-license this product because there is currently no effective medication for the indications of recurrent/refractory low-grade non-Hodgkin's lymphoma and mantle cell lymphoma. These are underserved therapeutic areas aligned with the Company's corporate mission and also fall within one of SymBio's targeted therapeutic fields (hematologic cancer).

In July 2018, the use of TREAKISYM® in combination with rituximab (BR therapy) was newly added to the Guidelines for Tumors of Hematopoietic and Lymphoid Tissues issued by the Japan Society of Hematology, and became recommended as a standard treatment for all previously approved indications (relapsed or refractory low-grade Non-Hodgkin's lymphoma [NHL], mantle cell lymphoma [MCL], first-line treatment of low-grade NHL and MCL, and chronic lymphocytic leukemia [CLL]). Accordingly, TREAKISYM® has been positioned as a standard treatment for malignant lymphoma both in name and substance.

In addition to the already-approved indications, SymBio has conducted a Phase III clinical trial for TREAKISYM® targeting recurrent/refractory diffuse large B-cell lymphoma (r/r DLBCL). Based on a favorable response rate that exceeded expected levels, the primary endpoint of the study, the Company filed an application for a partial change to its manufacturing and marketing authorization in May 2020, and received the approval in March 2021.

In September 2017, SymBio entered into an exclusive license agreement with Eagle Pharmaceuticals, Inc. (head office: New Jersey, U.S.) to develop and commercialize TREAKISYM® liquid formulations (ready-to-dilute [RTD] formulation and rapid infusion [RI] injection [Note 17]) in Japan. It received approval to manufacture and market the RTD formulation in September 2020, and launched the drug in January 2021. After the clinical trial to confirm the safety of the RI injection had been completed, the Company filed for a partial change to its manufacturing and marketing authorization, and received the approval in February 2022.

Compared to the conventional freeze-dried (FD) formulation, the RTD formulation does not require complicated manual dissolution procedures, thus reducing the time required for such procedures and considerably reducing the burden on healthcare providers. The RI injection further adds value by substantially reducing the administration time compared to the one hour required for the conventional FD and RTD formulations, thereby significantly reducing the burden on both patients and healthcare providers.

(Note 16) Non-Hodgkin's lymphoma (NHL) refers to malignant lymphoma other than Hodgkin's lymphoma. Malignant lymphoma is a cancer of the lymphatic system in which lymphocytes develop malignant growths. The majority of Japanese malignant lymphoma patients are suffering from NHL.

(Note 17) Ready-to-dilute (RTD) and rapid infusion (RI) are pre-dissolved liquid formulations that differ from the conventional freeze-dried (FD) formulation. The RTD formulation significantly reduces the preparation time and the RI injection substantially reduces infusion duration from the one hour required previously, thus substantially reducing the burden on the patient and providing significant added value to healthcare professionals compared to the FD formulation.

(2) [Anticancer agents: SyB L-1101 (intravenous formulation) and SyB C-1101 (oral formulation) (generic name: rigosertib sodium)]

U.S. licensor Onconova Therapeutics, Inc. (head office: Pennsylvania, U.S.) has conducted global Phase III clinical trials (INSPIRE study) of the intravenous formulation of rigosertib for higher-risk myelodysplastic syndromes (HR-MDS) which failed to respond to the current standard treatment with hypomethylating agents, relapsed after treatment under the current standard of care, or were intolerant to hypomethylating agents; the primary endpoint of the study is overall survival. In August 2020, Onconova announced that the primary endpoint—improved survival compared to physician's choice of treatment—was not met. The Company is responsible for clinical development in Japan, and is reviewing ways to use the findings from the additional analysis of the INSPIRE study in the future development of rigosertib.

(3) [Antiviral drug: SyB V-1901 (generic name: brincidofovir)]

In September 30, 2019, the Company concluded an exclusive global licensing agreement for the intravenous and oral formulations of antiviral drug brincidofovir (SyB V-1901; "BCV IV" and "BCV Oral") with Chimerix Inc. Under this agreement, the Company acquired the exclusive rights for the worldwide development, marketing, and manufacture of BCV for all indications, excluding smallpox.

The Company has decided to prioritize the global development of the intravenous formulation of BCV primarily in Japan, the U.S., and Europe, targeting adenovirus (AdV) infections occurring after hematopoietic stem cell transplantation—a niche area with a high unmet medical need.

Based on the efficacy and safety findings from clinical trials targeting AdV infections, the Company plans to investigate the efficacy of BCV against a range of double-stranded DNA (dsDNA) viral infections (Note 15) after hematopoietic stem cell transplantation, and expand target indications to include multiple viral infections. It also plans to explore the possibility of expanding target areas to viral infections associated with kidney and other organ

transplants, cancer, or other treatments. In doing so, it aims to expand the market for BCV and maximize the drug's business value.

In clinical studies conducted by Chimerix in Europe and the U.S., BCV Oral has been shown to have strong antiviral activity against a broad range of viruses. BCV Oral's antiviral activity against a range of dsDNA viruses suggests that BCV IV may also be safe and effective in the prevention and treatment of various viral infections following hematopoietic stem cell transplantation.

As noted in the Summary of Financial Statements for the Fiscal Year Ended December 31, 2021 [Japanese GAAP] (Non-consolidated) released on February 10, 2022 (the "Summary of Financial Statements Dated February 10, 2022"), SymBio achieved profitability—its top management priority—during the year, recording net sales of ¥8,256 million and profit of ¥2,032 million. Its cash and deposits stood at ¥3,860 million as of the end of December 2021. Further, the Company forecasts net sales of ¥10,992 million and profit of ¥1,480 million in FY 2022. In addition, as notified in its Summary of Financial Statements for the First Three Months of Fiscal Year Ending December 31, 2022 [Japanese GAAP] (Consolidated) released on May 11, 2022, the Company continued to operate in the black, recording net sales of ¥2,315 million and profit of ¥163 million. Its cash and deposits stood at ¥4,182 million as of the end of March 2022.

As noted in the Summary of Financial Statements Dated February 10, 2022, the Company achieved profitability—its top management priority—during the year. It has positioned the period from 2022 as "a second stage of growth," and formulated the following key management strategies to realize its medium- to long-term goal of evolving into a true global specialty pharmaceutical company: (1) launch the next product after TREAKISYM® by promoting development of brincidofovir (BCV), (2) take business global through full-scale operation of SymBio Pharma USA, Inc. (SPU), (3) expand and enhance product portfolio by establishing a product strategy division, and (4) develop new treatments by promoting joint research with academic institutions in Japan and overseas.

(1) In an effort to launch the next products after TREAKISYM® into the market through further development of brincidofovir, SymBio has started clinical trials or is making preparations for such studies targeting four indications or therapeutic areas. One such initiative is a Phase II clinical trial targeting AdV infections after hematopoietic stem cell transplantation in pediatric patients (including adults). The investigational drug was administered to the first patient enrolled (first patient in or FPI) in the U.S. in August 2021, and the Company filed a Clinical Trial Application (CTA) to the Medicines and Healthcare products Regulatory Agency (MHRA) of the U.K. in January 2022. The Company is also making preparations for clinical development targeting BK virus nephropathy after kidney transplantation. Separately, it is considering development targeting Epstein-Barr (EB) virus-related diseases such as difficult-to-treat multiple sclerosis, as well as post-COVID-19 conditions assumed to be associated with EB virus, and taking related steps. In addition to strong antiviral effects, brincidofovir is expected to have antitumor effects. Through joint research with the National Cancer Centre Singapore and the Brain Tumor Center of the Department of Neurological Surgery at the University of California, San Francisco (UCSF), the Company is investigating new indications for brincidofovir in oncology, including rare brain tumors and Epstein-Barr (EB) virus-positive lymphoma. In March 2022, it began joint research with Brown University in the U.S. to investigate the anti-tumor effects of brincidofovir on cytomegalovirus-associated glioblastoma (GBM).

(2) Ahead of the full-scale operation of SymBio Pharma USA, Inc. (SPU), which will take SymBio's business global, Dr. Carolyn Yanavich, who was formerly appointed as the Vice President and Head of Project Management and Clinical Operations of SPU in October 2021, was appointed as President, Chief Operating Officer, and Chief Development Officer of SPU in April 2022 to further expand the global development structure of the Company. She is expected to spearhead and accelerate the global development plan for the antiviral drug brincidofovir, with SymBio Pharma USA serving as a driving force behind the international clinical trials.

(3) With a view to expanding its product portfolio through the establishment of a product strategy division, SymBio will push ahead with the global development of brincidofovir and promote global partnerships to facilitate commercialization, continue to review multiple licensing deals, and aim to generate medium- to long-term business value as a profitable biopharmaceutical company with growth potential by searching and evaluating new drug candidates for potential in-licensing.

(4) In the development of new treatments through the promotion of joint research with academic institutions in Japan and overseas, in addition to the joint research for brincidofovir mentioned above, SymBio is actively conducting further research on TREAKISYM®, such as specified clinical research with Saitama Medical University and joint research with Kyoto University, to explore new possibilities of the drug. In addition, with regard to TREAKISYM® and rigosertib, the Company is conducting joint research with the University of Tokyo and other parties to investigate new effects of the drugs used in combination with each other as well as with other existing drugs, and to look for new indications.

To achieve these strategies, SymBio will use the earnings from TREAKISYM® to cover SG&A expenses (mainly comprising sales and personnel expenses), and need to select timely and appropriate means to build strategic partnerships and raise long-term funding for investment in research and development, which will require substantial expenditures over the long term. However, the recent external environment surrounding the Company has been affected by factors such as widespread uncertainty in the financial markets caused by the inexorable COVID-19 pandemic, interest rate hikes in the U.S. and other major countries that have spurred global price increases, and turmoil in the security environment driven by the Russian invasion of Ukraine. Taking these factors into consideration, along with the possibility of not being able to raise the necessary funding as expected in FY 2023 and beyond, the Company believes that securing the funding outlined in this document will strengthen and stabilize its financial foundations, raise its chances of evolving into a true global specialty pharmaceutical company, and contribute to an improvement in its corporate value. Further, the funds raised by the Company will be used as development funds for the antiviral drug brincidofovir, and to invest in new in-licensing and M&A for the purpose of securing long-term growth opportunities as described in “4. Amount to Be Raised, and the Use and Scheduled Disbursement Thereof.”

3. Overview of the Funding Method and Reason for Selection

(1) Overview of the Funding Method

Under the funding structure outlined in this document, SymBio will allot the Shares and the Stock Acquisition Rights to the Allottee, and raise funds on the due date of payment for the Shares, and when the Allottee exercises the rights for the Stock Acquisition Rights.

The Company has entered into a Purchase Agreement for the Shares and the Stock Acquisition Rights (the “Purchase Agreement”) with the Allottee today, on condition of the filing submitted in accordance with the Financial Instruments and Exchange Act becoming effective. The Purchase Agreement stipulates the following conditions.

Conditions related to the Purchase of the Stock Acquisition Rights

In case SymBio or one of its core subsidiaries engage in the transactions set forth in the Purchase Agreement (such as disposing of all or substantially all assets of the Company or its subsidiaries), or if events arise that are set forth in the Purchase Agreement (such as a delisting of the shares issued by the Company), etc., if requested by the Allottee in light of material changes to the initial assumptions it held when investing in the Stock Acquisition Rights, the Company shall purchase the Stock Acquisition Rights at the price determined by the Black-Scholes model (price calculated by using the Black-Scholes model and taking into consideration the price of the common shares of the Company, volatility, the dividend payout ratio, and other factors), a widely and commonly used fair price calculation model deemed appropriate by the Company as a method to unambiguously determine the value of the Stock

Acquisition Rights at the present time, as set forth in the Purchase Agreement.

(2) Reason for Selection of the Funding Method

SymBio explored various funding methods to raise the funds outlined in "2. Purposes of and Reasons for the Subscription, Purpose of the Funding" above before accepting the Funding offer from the Allottee.

The Company selected this funding method because it allows the Company to procure a certain amount of funds to cover its funding needs at the time of the issuance.

Further, based on a comprehensive consideration of the factors outlined in "Characteristics of the Funding" and "Comparison with other Funding Methods," the Company determined that the Funding method was the optimal option at the present time in terms of meeting its future funding needs and while considering the interests of its existing shareholders, and therefore decided to adopt it.

(Characteristics of the Funding)

Advantages:

a) Through the issuance of the Shares, the Company can procure a certain amount of funds at the time it issues the securities.
b) The number of common shares of the Company underlying the Stock Acquisition Rights is capped at 2,000,000 shares. By placing a limit on the maximum number of shares that can be delivered regardless of share price trends, the scale of dilution is limited.
c) The funds raised from the Shares and the amount raised from the Stock Acquisition Rights will be used as capital funds, and thus improve indicators of financial health.
d) The Exercise Price for the Stock Acquisition Rights is set to an amount that is equivalent to 115% of the closing price of the common shares of the Company in regular trading on the Tokyo Stock Exchange on the trading day immediately preceding May 16, 2022. While the absence of exercise price revision clauses will slow down the pace or reduce the probability of the Stock Acquisition Rights being exercised, SymBio can expect the Stock Acquisition Rights to be exercised at a higher level than its current share price.

Disadvantages:

Under the Stock Acquisition Rights structure, SymBio will procure funds when the Allottee exercises the Stock Acquisition Rights. Consequently, the following disadvantages need be considered in relation to the funding progress.

a) One characteristic of stock acquisition rights is that the funding is raised in the amount equivalent to the exercise price multiplied by the number of shares corresponding to the exercise, when the holders of the stock acquisition rights exercise those rights. For this reason, the full amount of funding is not raised when the Stock Acquisition Rights are initially issued.
b) The Company cannot expect the Allottee to exercise the Stock Acquisition Rights if its share price drops below the Exercise Price for the Stock Acquisition Rights, in which case it would not be able to raise the funds.
c) The Allottee may not necessarily exercise the Stock Acquisition Rights even if the share price exceeds the Exercise Price for the Stock Acquisition Rights, so the timing of the fundraising is uncertain.

(Comparison with Other Funding Methods)

The Funding is designed to allow SymBio to reliably procure a portion of the estimated amount to be raised at the present time while considering dilution of its share value. This will be accomplished through the simultaneous issuance of the Stock Acquisition Rights, for which a fixed exercise price has been set, and the Shares, for which the entire funds can be procured on the payment date.

a) In the case of a capital increase through a public offering or other one-time issuance of all new shares, the funding could be completed immediately, but SymBio believes this would have a significant direct impact on its share price as the dilution of per-share earnings would occur all at once. Further, it is unclear whether sufficient funding could be procured as the participation rate by general investors is unclear. For these reasons, the Company decided this funding method is not suitable on this occasion.

b) In the case of a capital increase through a shareholder allotment, the concerns over dilutions would be removed, but it is unclear whether sufficient funding could be procured as the participation rate by existing investors (the allottees) is unclear. For this reason, SymBio decided this funding method is not suitable on this occasion.

c) Convertible bonds with stock acquisition rights (also referred to as moving strike convertible bonds [MSCB]), for which the exercise price is adjusted based on share price movements, have a diverse range of issuance and exercise conditions. In general, however, they are structured so that the number of shares to be delivered upon conversion is determined based on the exercise price. It is therefore unclear how many shares would be exchanged until the conversion process is complete, and the number of dilutive shares increases if the exercise price is revised down. For this reason, SymBio believes this funding method would have a significant direct impact on its share price.

d) Stock acquisition rights with exercise price revision clauses have various designs, but generally involve a downward revision to the exercise price. While they increase the probability of the stock acquisition rights being exercised, it is not uncommon for these to be exercised at a price below the current share price level, in which case the amount of funds raised drops below the initial expectation. Under the funding outlined in this document, the Company will raise the necessary funds for the foreseeable future by issuing the Shares. At the same time, by setting and fixing the exercise price for the Stock Acquisition Rights at a higher price than the current share price, the Company will be able to secure additional funding in an amount initially planned as the exercise of the rights will take place pending a future rise in the share price. Accordingly, compared with stock acquisition rights with a revision clause under which the exercise price is revised down, the Stock Acquisition Rights are believed to match the funding needs of the Company in the sense that they offer a higher likelihood of achieving the expected amount of funds to be raised.

e) In the case of a so-called rights issue, there are commitment-type rights issues, whereby the issuing company enters into an underwriting agreement with a financial instruments business operator, and non-commitment-type rights issues, whereby the issuing company does not enter into any such agreement and the exercise of the stock acquisition rights is entrusted to the decision of shareholders. There are few examples of commitment-type rights issues being carried out in Japan, and they have not fully matured as a means of fundraising, while underwriting expenses and other costs are expected to increase. For this reason, they may not be an appropriate means of raising funds. Further, in the case of non-commitment-type rights issues, it is unclear whether sufficient funding could be procured as the participation rate by existing investors (the allotees) is not known, as is the case for a capital increase through a shareholder allotment outlined above. For this reason, the Company decided a non-commitment-type rights issue is not an appropriate funding method at the present time. In addition, the Company is unable to carry out a non-commitment-type rights issue, as it has reported an ordinary loss for the past two years, and does not fulfil the listing standards determined in Article 304, Paragraph 1, Item 3 a of the Securities Listing Regulations of the Tokyo Stock Exchange.

f) Procuring funds by issuing corporate bonds or borrowing would allow the Company to procure the funds at once, but the amount of funds raised would be recorded as a liability and weigh down financial health indicators.

4. Amount to Be Raised, and the Use and Scheduled Disbursement Thereof

(1) Amount to Be Raised (Estimated Net Proceeds)

Total amount to be paid in	
Total amount to be paid in for the Shares	¥662,000,000
Sum of the total amount to be paid in for the Stock Acquisition Rights and the value of the property to be contributed in exercising the Stock Acquisition Rights	¥1,583,760,000
Approximate amount of various issuance-related expenses	¥55,000,000
Estimated net proceeds	¥2,190,760,000

(Notes) 1. The estimated net proceeds above are the amount obtained by subtracting the approximate amount of various issuance-related expenses from the total amount to be paid in.
2. The approximate amount of various issuance-related expenses does not include national consumption tax or local consumption tax.
3. In the event the Exercise Price for the Stock Acquisition Rights is adjusted, the total amount to be paid in for the Stock Acquisition Rights and the estimated net proceeds will increase or decrease. In addition, in the event the Stock Acquisition Rights are not exercised within the exercise period, and SymBio cancels the Stock Acquisition Rights it has acquired, the total amount to be paid in for the Stock Acquisition Rights and the estimated net proceeds will decrease.
4. The approximate amount of various issuance-related expenses reflects attorney's fees, price calculation expenses, trust bank expenses, brokerage fees, and other expenses.

(2) Specific Uses of the Amount to Be Raised

SymBio plans to use the aforementioned ¥2,190,760,000 in estimated net proceeds to globally develop the antiviral drug brincidofovir, and to invest in new in-licensing (expansion of product pipeline), M&A, and other means of securing long-term growth opportunities as part of its growth strategy focused on evolving into a true global specialty pharmaceutical company in its "second stage of growth."

The specific uses for the funds raised through the issuance of the Shares and the expected timing of expenditure are as follows.

Specific uses	Amount (Yen)	Expected timing of expenditure
(1) Development funds for antiviral drug brincidofovir (direct expenses)	432,000,000	July 2022 to October 2022
(2) As above (indirect expenses)	190,000,000	July 2022 to October 2022
Total	622,000,000	

(Notes) 1. SymBio plans to adequately manage the funds in its deposit account until the expected timing of expenditure.
2. SymBio has also considered the possibility of needing more funding for each of its objectives, in which case the investment amounts and expected timing of expenditure for each objective may diverge or change.

The specific uses for the funding raised through the issuance and exercise of the Stock Acquisition Rights and the expected timing of expenditure are as follows.

Specific uses	Amount (Yen)	Expected timing of expenditure
(1) Development funds for antiviral drug brincidofovir (direct expenses)	787,000,000	October 2022 to March 2023
(2) As above (indirect expenses)	386,000,000	October 2022 to March 2023
(3) Investment funds for new in-licensing, M&A, and other means of securing long-term growth opportunities	395,760,000	July 2022 to March 2023
Total	1,568,760,000	

(Notes) 1. SymBio plans to adequately manage the funds in its deposit account until the expected timing of expenditure.

2. The exercise of the Stock Acquisition Rights or absence thereof depends on the determination of the holders of the Stock Acquisition Rights. As a result, if the Stock Acquisition Rights are not exercised during the exercisable period, SymBio may not be able to procure the funding from the exercise of the Stock Acquisition Rights. In such a scenario, it plans to prioritize the allocation of funding to (1), and supplement with internal funds, borrowing, and other procurement methods.
   Further, as of May 16, 2022, the Company plans to prioritize funding in the order of (1), (2) and (3).

3. SymBio has also considered the possibility of needing more funding for each of its objectives, in which case the investment amounts and expected timing of expenditures may diverge or change.

1) Development funds for antiviral drug brincidofovir (direct expenses)

SymBio plans to use the development funds for antiviral drugs to cover the following expenses : (1) among the development funds for the intravenous formulation of the antiviral drug brincidofovir (BCV IV) in-licensed by the Company in September 2019, direct expenses associated with the Phase II clinical trials for BCV IV already underway in the U.S. and U.K. aimed at developing a treatment for adenovirus infections after hematopoietic stem cell transplants; (2) in the development of brincidofovir for BK virus infection after kidney transplants, expenses to prepare for clinical trials in Australia and Japan; and (3) in the development of brincidofovir for cytomegalovirus-associated glioblastoma (GBM), expenses associated with the implementation of a non-clinical study.

Of the above, it will cover ¥432 million in expenditures from July to October 2022 with the funds raised from the issuance of the Shares, and ¥787 million in expenditures from October 2022 to March 2023 with the funds raised from the issuance and exercise of the Stock Acquisition Rights.

2) Indirect Expenses related to Development of Antiviral Drug Brincidofovir

SymBio forecasts expenditures in connection with efforts to strengthen its personnel, organization, and other areas to develop the intravenous formulation of the antiviral drug brincidofovir (BCV IV) for multiple indications, and in the form of indirect expenses for the full-scale operation of U.S. subsidiary SymBio Pharma USA.

Of the above, it will cover ¥190 million in expenditures from July to October 2022 with the funds raised from the issuance of the Shares, and ¥386 million in expenditures from October 2022 to March 2023 with the funds raised from the issuance and exercise of the Stock Acquisition Rights.

3) Investment funds for in-licensing and M&A for the purpose of securing long-term growth opportunities

From a medium- to long-term perspective, SymBio continues to search for and evaluate new drug candidates

for potential in-licensing, and is routinely considering multiple license candidates, aiming to evolve into a profitable biopharmaceutical company with growth potential. As of the end of April 2022, its Scientific Advisory Board (SAB) had finished its evaluation for several products, and the Company is internally considering whether to acquire relevant licenses. It forecasts expenditures of ¥395.76 million for in-licensing and other expenses between July 2022 and March 2023.

For investment in new in-licensing and M&A for the purpose of securing long-term growth opportunities, the funds will first be apportioned at the time license agreements are concluded, and any expenses exceeding the expected amount to be raised shall be provided by internal funds. In addition, as the amount and timing of funding will be affected by the state of progress for the Funding, the aforementioned uses and breakdown of funds may change.

Further, the possibility exists that the Funding may not be exercised in part depending on such factors as the share price and trading volume.

If SymBio cannot procure sufficient funds through the Funding, it may procure funds through other measures or review its business plans. In the event of changes in the uses and breakdown of funds, the pursuit of separate funding, or revisions to its business plans, the Company will promptly disclose such information in each case.

SymBio expects to hold the funds above in its deposit account until apportioned for the uses of funds mentioned above.

On May 16, 2022, SymBio resolved to conduct a capital increase through a third-party allotment of new shares and issue the Stock Acquisition Rights with the aim of deploying funds for the aforementioned uses.

5. Concepts on Rationality of the Use of the Funds

As described in "2. Purposes of and Reasons for the Subscription," the Company believes the funding outlined in this document will contribute to the enhancement of its corporate value over the medium to long term, and that such use of funds is reasonable and will also contribute to the interests of existing shareholders.

6. Rationality of Issuance Conditions

(1) Basis for Calculation of the Amount to Be Paid in and Details Thereof

1) Shares

SymBio has set the issue price for the Shares to an amount equivalent to 97% of the closing price of the common shares of the Company in regular trading on the Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange") on the trading day preceding the date on which the Board of Directors resolved to issue the Shares (May 13, 2022).

The Company selected the closing price on the trading day preceding the resolution by the Board, because it judged that the recent share price fairly reflects the objective corporate value of the Company at the present time. The Company fully discussed the basis for calculation of the amount to be paid in mentioned above, including the discount rate, with the Allottee, and determined the issue price for the Shares based on a comprehensive consideration of factors such as conformance with the Japan Securities Dealers Association's "Guidelines Concerning Treatment of Capital Increase by Allotment to a Third Party" (enacted on April 1, 2010), the fact that the Allottee will be exposed to share price downside risk in the roughly two weeks from the date on which the issuance was resolved to the due date of payment, the dilution stemming from the issuance of the Shares, and expectations for a medium- to long-term improvement in shareholder value as the issuance of the Shares will allow the Company to rapidly and reliable raise funds.

In addition, the issue price for the Shares is an amount that represents a 5.16% discount (rounded off to two decimal places; the same calculation for the share price discount rate applies below) against the simple average closing price of ¥698 (rounded off to the nearest whole number; the same calculation for the share price applies below) for the common shares of the Company in the one-month period immediately prior to the trading day preceding the date on which the Board of Directors resolved to issue the Shares (i.e., May 13, 2022), a 11.85% discount against the simple average closing price of ¥751 in the three-month period immediately prior to such trading day, and a 32.24% discount against the simple average closing price of ¥977 in the six-month period immediately prior to such trading day.

Further, based on its audit in accordance with its responsibilities under the Companies Act, the Audit & Supervisory Committee of the Company confirmed the following points, and has expressed its opinion that there are no material matters that violate laws and regulations regarding the directors' judgment that the issue price for the Shares is not unduly advantageous for the Allottee.

(i) That the issue price for the Shares is based on the market price that is an objective indicator reflecting the value of the shares of the Company, and that the Company based the issue price of the Shares on the closing price on the trading day preceding the day on which the Board of Directors resolved to issue the Shares based on the judgment that the recent share price fairly reflects the objective value of the Company at the present time, and conducted negotiations with the Allottee accordingly.

(ii) That the issue price of the Shares conforms with the Japan Securities Dealers Association's "Guidelines Concerning Treatment of Capital Increase by Allotment to a Third Party."

2) Stock Acquisition Rights

SymBio has asked Akasaka International Accounting Co., Ltd., a third-party calculation agent, to conduct a valuation of the Stock Acquisition Rights while considering the various conditions set forth in the terms and conditions for the issuance of the Stock Acquisition Rights and the Purchase Agreement to be concluded with the Allottee. No material interests exist between the calculation agent and the Company.

When determining the price calculation model to use, the calculation agent compared and considered multiple price calculation models before conducting a valuation of the Stock Acquisition Rights with the Monte Carlo simulation method, which is a commonly used price calculation model that can relatively appropriately reflect in the calculation result the fact that the Stock Acquisition Rights will be exercised in stages within constraints on the number of shares and exercise period and other various conditions stipulated in the terms and conditions for the issuance of the Stock Acquisition Rights and the Purchase Agreement to be concluded with the Allottee. Further, while considering the market environment and other factors as of the valuation reference date, the calculation agent conducted the valuation based on certain assumptions regarding the Company's share price, volatility, the Company's dividend yield, risk-free interest rate, and the liquidity of the Company's shares, as well as certain preconditions related to Company's need for funding, and how the Company and the Allottee exercise rights (include factors such as whether the exercise requests will be conducted uniformly by the Allottee if the share price exceeds the exercise price for the Stock Acquisition Rights, whether the Allottee will immediately sell a number of shares of the Company acquired through the exercise of the rights within a certain percentage of trading volume, and whether costs will arise in proportion to the number of shares sold for the Allottee). Following discussions with the Allottee referring to the assessed value (¥688) calculated by the calculation agent on the basis of the abovementioned preconditions, the Company set the amount to be paid in for each unit of the Stock Acquisitions Rights to the same amount as the assessed amount (¥688) and the exercise price to an amount that is equivalent to 115% of the closing price of the common shares of the Company in regular trading on the Tokyo Stock Exchange on the trading day preceding the date on which the Board of Directors resolved to issue the Shares.

In determining the amount to be paid in for and the exercise price for the Stock Acquisition Rights, after considering circumstances that could affect a fair valuation, the calculation agent calculated the fair price using the Monte Carlo simulation method, a commonly used price calculation model. Considering that the calculation agent's calculation results yielded a reasonable fair price and that the amount to be paid in matched the assessed value in the calculation results, the Company judged that each issue price for the Stock Acquisition Rights was not based on favorable conditions and that the price was proper and reasonable.

Further, based on its audit in accordance with its responsibilities under the Companies Act, the Audit & Supervisory Committee of the Company confirmed the following points, and has expressed its opinion that there are no material matters that violate laws and regulations regarding the directors' judgment that the issue conditions for the Stock Acquisition Rights is not unduly advantageous for the Allottee.

(i) That, when calculating the price to be paid in for the Stock Acquisition rights, an independent, third-party calculation agent calculated the fair value of the Stock Acquisition Rights using the Monte Carlo simulation method, a commonly used price calculation model, as a method to calculate the assessed value of the Stock Acquisition Rights, while taking into consideration factors that may affect the fair value of the Stock Acquisition Rights such as the exercise price of the Stock Acquisition Rights, the trading volume and share price for the Company's shares, the period during which the rights can be exercised, stock price movements, and interest rates, and that the assessed fair value calculated by such third-party calculation agent is appropriate and fair.

(ii) That the amount to be paid in for the Stock Acquisition Rights was determined based on the assessed value for the Stock Acquisition Rights calculated by the independent, third-party calculation agent.

(2) Grounds for a Judgment That the Issued Quantity and the Scale of the Dilution of Shares Are Reasonable

The total number of shares after adding the Shares (1,000,000 shares) to the number of shares for delivery if all the Stock Acquisition Rights are exercised (2,000,000 shares) is 3,000,000 shares (30,000 voting rights). This corresponds to a dilution rate of 7.80%, using as a denominator the total number of SymBio's shares issued as of March 31, 2022, of 38,486,156 shares, and 379,814 voting rights (dilution rate based on voting rights of 7.90%).

Although the Funding will result in dilution, it will help the Company strengthen and expand its business foundations and improve corporate value and shareholder value over the medium to long term by apportioning the funds raised through the Funding to the aforementioned fund uses. As a result, even after factoring in the resulting dilution, the Company has determined that the number of shares to be issued and the scale of dilution for its shares are reasonable as it believes the Funding can contribute sufficient profit to its existing shareholders.

Further, the average daily trading volume of the common shares of SymBio over the past six months was 1,989,707 shares, compared with a total of 3,000,000 shares after adding the number of shares to be issued if all the Stock Acquisition Rights are exercised to the number of Shares, leaving a certain amount of liquidity. Consequently, the Company has determined the Funding is not of a scale that will affect the market excessively.

7. Reasons for Having Chosen the Allottee, etc.

(1) Outline of the Allottee

(Note) Although SymBio Representative Director Fuminori Yoshida confirmed some information regarding the Allottee, which is a non-public fund, with investment manager Martin Kobinger through the investment manager for the Asia Pacific region of Heights Capital Management, Inc., this information is not disclosed as the Company did not obtain consent to do so. In addition, the Company learned that the Allottee did not consent to such disclosure because CVI Investments, Inc. and Heights Capital Management, Inc. are both companies under the common control of the Susquehanna International Group, one of the world's largest

financial conglomerates, and that all entities belonging to the Susquehanna International Group, including the aforementioned two companies, are non-public entities that do not accept external capital. Information regarding their capital structures, capital holdings and investments is therefore highly confidential.

1)	Name	CVI Investments, Inc.	
2)	Location	Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands	
3)	Grounds for foundation	Tax-exempt limited liability company based on the laws of the Cayman Islands	
4)	Purpose of formation	Investment	
5)	Date of formation	July 1, 2015	
6)	Total investment amount	Not provided as consent for disclosure has not been obtained.	
7)	Investors, investment ratio, and outline of investors	Not provided as consent for disclosure has not been obtained.	
8)	Overview of managing partners	Name	Heights Capital Management, Inc.
		Location	One Commerce Center 1201 N. Orange Street Suite 715, Wilmington, DE, 19801
		Position and name of representative	Investment Manager Martin Kobinger
		Business	Investment
		Capital	Not provided as consent for disclosure has not been obtained.
9)	Overview of Japanese agent	Name	Not applicable
		Location	Not applicable
		Position and name of representative	Not applicable
		Business	Not applicable
		Capital	Not applicable
10)	Relationship between SymBio and said fund	Relationships between SymBio and said fund	Not applicable
		Relationship between SymBio and managing partners	Not applicable
		Relationships between SymBio and Japanese agent of said fund	Not applicable

(Note) SymBio has received representations and warranties from the Allottee that verify the Allottee, a tax-exempt limited liability company based on the laws of the Cayman Islands, and its major investors are not antisocial forces and do not have any relationships with antisocial forces in the Purchase Agreement to be concluded with the Allottee. Further, the Company asked JP Research & Consulting, Inc. (President and CEO: Keisuke Furuno; head office: 3-7-12 Toranomon, Toranomon Annex Building 6F, Minato-ku, Tokyo, Japan), a professional research firm that conducts proprietary third-party research, to investigate whether the Allottee and its managing partners are antisocial forces or have any relationships with antisocial forces, and it

received the investigation report on April 20, 2022. The investigation report examined the backgrounds of not only the Allottee but also companies and individuals affiliated with the Allottee, and it contained no information that suggested the Allottee and its managing partners are antisocial forces, or that the Allottee and its managing partners have any relationships with antisocial forces. In light of the above, the Company determined that the Allottee, its managing partners, and its major investors do not have any relationships with antisocial forces, and submitted a related note of confirmation to the Tokyo Stock Exchange. Further, the same investigation report confirmed that the funds to be received from the capital increase through a third-party allotment are sound. As for the appropriateness or creditworthiness of the Allottee, the report verified the Allottee and its parent company, Susquehanna International Group, have commensurate financial resources, and confirmed they have invested in Japanese companies on several prior occasions. The report objectively confirmed the verifiable financial performance of the Allottee, and concluded there are no conditions based on which the Company can determine that the Allottee is unsuitable as the Allottee of the capital increase through a third-party allotment.

(2) Reason for Having Chosen the Allottee

As noted above in "2. Purposes of and Reasons for the Subscription," SymBio has explored multiple fundraising options in search of a flexible and reliable fundraising method that can support its evolution into a true global specialty pharmaceutical company, a goal it has positioned as a medium- to long-term management indicator for its "second stage of growth." Under such circumstances, the Company was contacted by Heights Capital Management, Inc., the asset management company of the Allottee, through the intermediation of Jefferies Japan Limited (securities company) around October 2021, and the two parties discussed the Company's operations and capital needs. Thereafter, SymBio Representative Director Fuminori Yoshida consulted the investment manager for the Asia Pacific region of Heights Capital Management, Inc. regarding financing. Around February 2022, the Company started considering more specific funding options to support continued growth investments. After discussing such options with several securities companies and banks, it selected Heights Capital Management, Inc. and the Susquehanna International Group as the Allottee, with the decision in large part driven by their policy of investing the capital of the group and holding investments over the medium to long term, and received a concrete funding offer.

The Company internally discussed and examined the Funding scheme, including the attributes of the Allottee, and determined that (1) the scheme will allow it to procure funds while controlling the temporary impact on its share price, (2) that the Allottee has ample assets as an institutional investor and is an appropriate allottee for the funding outlined in this document based on the outline and characteristics described below. As a result, it decided to adopt the Funding scheme with CVI Investments, Inc. as the Allottee.

Overview of investor:

- One of the companies under common control of Susquehanna International Group, one of the world's largest financial conglomerates.
- The companies that belong to Susquehanna International Group (including the Allottee) have collectively invested in, or manage assets for, over 100 biotech projects.
- Susquehanna International Group has extensive experience in global investment. It has invested in many companies in Japan, such as GNI Group Ltd. (listed on the Mothers market) in 2018 and 2021, and more recently in 3-D Matrix, Ltd. (listed on the TSE Growth Market) in 2021 and 2022. It pursues a policy of cultivating favorable relationships with its investees and promoting their growth.
- It has a team of dedicated research analysts, and accordingly possesses the ability to analyze investments from a medium to long-term perspective.

Note: This document does not constitute an investment solicitation for any securities for sale. This document has been prepared to publicly announce matters related to the issuance of the common stock and 58th stock acquisition rights, and not for the purpose of soliciting investment. This document does not constitute an offer of investment in nor solicitation for purchase of the common stock and 58th stock acquisition rights within the United States. Regarding the common stock and 58th stock acquisition rights, SymBio has not registered, and is not scheduled to register, any of them under the United States Securities Act of 1933. The securities may not be offered or sold in the United States without a registration or an exemption from registration under the United States Securities Act of 1933. No offer of securities in the United States will be made in connection with this transaction.

(3) Allottee's Holding Policy

With regard to the Shares and Stock Acquisition Rights, there are no arrangements between SymBio and the Allottee regarding continued possession or deposits. SymBio's Representative Director Fuminori Yoshida has confirmed verbally with investment manager Martin Kobinger through the Asia Pacific regional investment manager of Heights Capital Management, Inc. that the Allottee's holding policy for the Shares and the Stock Acquisition Rights is pure investment. Further, the Allottee is a widely known institutional investor that has the flexibility to make medium to long-term investments, and the Company thinks it will help accelerate its growth as a capital partner in the future. For this reason, the Purchase Agreement contains provisions that stipulate the Company will not issue its common shares in a manner that would result in the number of effective voting rights of the Allottee exceeding 9.9% of the total voting rights of the Company.

The Company expects to receive a pledge from the Allottee stating that, if the Allottee sells the Shares in full or in part within two years of the due date of payment for the Shares, it agrees to (1) provide a written report of the details of the transaction to the Company, (2) allow the Company to report such details to the Tokyo Stock Exchange, and (3) allow the Company to make such details available for public inspection.

(4) Confirmation on the Property Required for the Payment by the Allottee

In the Purchase Agreement to be concluded with the Allottee, SymBio has received representations and warranties that verify the Allottee has sufficient property to make the necessary payment. Further, the Company has received a property inventory applicable as of December 31, 2020 that has been prepared by the Allottee and audited by EISNERAMPER LLP (location: 733 Third Avenue, New York, NY 10017, U.S.), and the Company's Representative Director Fuminori Yoshida confirmed on April 25, 2022 in an interview with investment manager Martin Kobinger conducted through the Asia Pacific regional investment manager of Heights Capital Management, Inc., that the Allottee possesses liquid assets that can be converted into cash and that the Allottee plans to make the payment with its own capital. Furthermore, although the property inventory after December 31, 2020 has not been prepared, Takaaki Fukushima, executive officer and CFO of the Company, has confirmed on May 10, 2022, through an additional interview with investment manager Martin Kobinger through the Asia Pacific regional investment manager of Heights Capital Management, Inc., that there was no significant change in the latest property status compared to the inventory as of December 31, 2020, and that the Allottee possesses liquid assets that can be converted into cash and that the Allottee plans to make the payment with its own capital. Accordingly, the Company has confirmed that the Allottee has sufficient property to make the payment for the allotted Shares and Stock Acquisition Rights. Finally, the Allottee is an institutional investor that invests the capital of the Susquehanna International Group.

(5) Lock-up Period, etc.

1) SymBio has agreed in the Purchase Agreement not to issue common shares of the Company, securities that can be converted to or exchanged for common shares of the Company, or securities that represent rights to acquire or receive common shares of the Company (however, excluding the issuance of the Stock Acquisition Rights and the delivery of common shares of the Company through the exercise of the Stock Acquisition Rights and through the exercise of stock acquisition rights that have already been issued [however, the number of common shares of the Company to be delivered through the exercise of already issued stock acquisition rights of the Company shall be no higher than 5% of the number of issued shares], stock splits, the granting of stock options to the Company's directors, etc. [however, the number of common shares of the Company to be delivered in case such stock options are exercised, combined with the number of common shares of the Company to be delivered through the exercise of already issued stock acquisition rights of the Company, shall be no higher than 5% of the number of issued

shares], and other issue requests under Japanese law) within the period starting from the conclusion date of the Purchase Agreement and ending 180 days after the due date of payment, without receiving prior written approval from the Allottee.

2) SymBio has agreed in the Purchase Agreement to not issue, dispose of, or sell securities, etc., issued by the Company or its subsidiaries that grant rights to acquire the common shares of the Company to the securities holder, and for which the exercise price or the conversion price, etc., to acquire the common shares of the Company underlying the securities, etc., are adjusted based on the share price of the common shares of the Company (A) after the initial issuance of the securities, etc., or (B) through events related to the business of the Company or the market on which the common shares of the Company are traded, in the period starting from the conclusion date of the Purchase Agreement and ending three years after the due date of payment, without receiving prior written approval from the Allottee.

3) SymBio has agreed in the Purchase Agreement that if the Company receives a proposal or offer from a third party for a stock price-linked transaction on or after June 1, 2025 and during the period the Stock Acquisition Rights remain outstanding, (1) the Company shall notify the Allottee in writing of its intention to consider such stock price-linked transaction and the principal terms thereof, and during the period of 14 days from the date of such notice, the Company shall, upon the Allottee's request, negotiate in good faith with the Allottee alone toward an agreement on the stock price-linked transaction, and during such period, the Company shall not solicit, discuss, negotiate, or provide information, directly or indirectly, to any third party regarding the transaction; (2) if, as a result of negotiations, the Company and the Allottee do not reach an agreement on the material economic terms of the stock price-linked transaction, the Company may, during the period until 60 days have passed from the end of the negotiation period, agree with a third party to conduct the stock price-linked transaction under terms less favorable to the third party than those that were communicated to the Allottee and disclose such agreement; and (3) if the Company does not enter into a share price-linked transaction with the third party during the period and fails to disclose such agreement, it must go through the same process with the Allottee in order to enter into another stock price-linked transaction.

8. Major Shareholders and Shareholding Ratios after Subscription

Before subscription (as of March 31, 2022)	
Name	Shareholding ratio (%)
Fuminori Yoshida	2.79
The Tokyo Tanshi Co., Ltd.	2.44
Ueda Yagi Tanshi Co., Ltd.	1.82
Matsui Securities Co., Ltd.	1.78
Sukenori Ito	1.06
SBI SECURITIES Co., Ltd.	0.70
BNYM SA/NV FOR BNYM FOR BNYM GCM CLIENT ACCTS M ILM FE Standing proxy: MUFG Bank, Ltd.	0.62
Nomura Securities Co., Ltd., private transfer account	0.51
Toshitaka Kashihara	0.44
au Kabucom Securities Co., Ltd.	0.43

(Notes) 1. The shareholding ratios before subscription are prepared based on the shareholder registry as of March 31, 2022, and do not reflect changes in shareholding ratios that occurred on or after April 1, 2022.

2. As SymBio and the Allottee have not exchanged commitments regarding the long-term holding of the

Shares and the Stock Acquisition Rights, the major shareholders and shareholding ratios after subscription, which reflect the number of dilutive shares related to the Shares and the Stock Acquisition Rights, are not presented. Further, assuming that the Allottee exercises all the Stock Acquisition Rights and holds all the common shares of the Company it has acquired, and that the Company does not separately issue new shares, disposes of treasury shares, or acquires its own shares, the Allottee will hold 3,000,000 shares of the Company after the exercise of the Stock Acquisition Rights, putting its voting rights after the exercise of the Stock Acquisition Rights as a percentage of the total voting rights at 7.32%.

3. The shareholding ratio is rounded off to the second decimal place.

9. Future Perspective

The impact of the Funding on earnings performance in the fiscal year ending December 31, 2022 will be negligible and SymBio has therefore made no changes to its earnings forecast.

Further, if any impact on earnings performance arises from the execution of the Company's business in accordance with the use of the funds, the Company will disclose such information in a timely and appropriate manner.

10. Procedures Based on the Code of Conduct of Corporations

As noted in "6. Rationality of Issuance Conditions, (2) Grounds for a Judgment That the Issued Quantity and the Scale of the Dilution of Shares Are Reasonable," the scale of the issuance of the Shares and Stock Acquisition Rights will result in a maximum dilution of 7.90% of the total voting rights as of March 31, 2022. Accordingly, because the dilution rate is less than 25% and because it will not give rise to changes in controlling shareholders (no changes are expected in the controlling shareholders even if all Stock Acquisition Rights are exercised), there is no need to obtain an opinion regarding the need and suitability of the allotment from a party with some degree of independence from management, or to conduct a procedure to confirm the intent of shareholders as set forth in Article 432 of the Securities Regulations of the Tokyo Stock Exchange.

11. Business Performance and Equity Finances for the Most Recent Three Years

(1) Operating Results for the Most Recent Three Years

(Unit: Thousands of yen, except where specified otherwise)

	FY 2019	FY 2020	FY 2021
Net sales	2,837,753	2,987,051	8,256,924
Operating profit (loss)	(4,301,615)	(4,506,220)	1,016,001
Ordinary profit (loss)	(4,376,655)	(4,615,903)	1,001,133
Profit (loss)	(4,376,258)	(4,090,216)	2,032,203
Earnings (loss) per share (Yen)	(189.03)	(124.13)	53.04
Dividends per share (Yen)	—	—	—
Net assets per share (Yen)	143.07	105.76	162.26

(Note) On July 1, 2019, SymBio conducted a 1-for-4 consolidation of common stock. Earnings per share and net assets per share have been calculated based on the assumption that this consolidation was conducted at the beginning of FY 2019.

(2) Number of Issued Shares and Dilutive Shares (As of May 13, 2022)

	Number of shares	Percentage relative to the number of issued shares
Total number of shares issued	38,553,931	100.00%
Total number of dilutive shares at the conversion price (exercise price) at present	972,675	2.52%
Total number of dilutive shares at the lower-limit of the conversion price (exercise price)	—	—
Total number of dilutive shares at the upper-limit of the conversion price (exercise price)	—	—

(Note) The dilutive shares above are all based on stock options.

Note: This document does not constitute an investment solicitation for any securities for sale. This document has been prepared to publicly announce matters related to the issuance of the common stock and 58th stock acquisition rights, and not for the purpose of soliciting investment. This document does not constitute an offer of investment in nor solicitation for purchase of the common stock and 58th stock acquisition rights within the United States. Regarding the common stock and 58th stock acquisition rights, SymBio has not registered, and is not scheduled to register, any of them under the United States Securities Act of 1933. The securities may not be offered or sold in the United States without a registration or an exemption from registration under the United States Securities Act of 1933. No offer of securities in the United States will be made in connection with this transaction.

(3) Recent Share Prices

1) For the most recent three years

	FY 2019	FY 2020	FY 2021
Opening price	¥740	¥600	¥384
Highest price	¥1,100	¥653	¥2,566
Lowest price	¥537	¥243	¥372
Closing price	¥607	¥379	¥1,145

(Notes) 1. Share prices are according to the Tokyo Stock Exchange JASDAQ (Growth).

2. On July 1, 2019, the Company conducted a 1-for-4 consolidation of common stock. These figures have been calculated based on the assumption that this consolidation was conducted at the beginning of FY 2019.

2) For the most recent six months

	December 2021	January 2022	February 2022	March 2022	April 2022	May 2022
Opening price	¥1,320	¥1,150	¥1,020	¥803	¥783	¥678
Highest price	¥1,340	¥1,166	¥1,290	¥824	¥815	¥743
Lowest price	¥1,070	¥984	¥677	¥683	¥660	¥666
Closing price	¥1,145	¥1,006	¥797	¥783	¥686	¥682

(Notes) 1. Share prices are according to the Tokyo Stock Exchange JASDAQ (Growth) through April 3, 2022, and according to the Tokyo Stock Exchange Growth Market from April 4, 2022.

2. Share prices for May 2022 are those as of May 13, 2022.

3) Share prices on the trading day preceding the date on which the Board of Directors resolved the issuance

	As of May 13, 2022
Opening price	¥679
Highest price	¥703
Lowest price	¥679
Closing price	¥682

(4) Equity Finances for the Most Recent Three Years

Issuance of the 50th Stock Acquisition Rights by third-party allotment

Date of allotment	March 16, 2020
Number of stock acquisition rights issued	7,000,000 units
Issue price	Total of ¥7,420,000 (¥1.06 per unit)
Planned amount of funding at the time of issuance	¥3,836,420,000 (Breakdown) Portion from the issuance of stock acquisition rights: ¥7,420,000 Portion from the exercise of stock acquisition rights: ¥3,829,000,000
Allottee	EVO FUND
Number of issued shares at the time of subscription	26,437,681 shares

Note: This document does not constitute an investment solicitation for any securities for sale. This document has been prepared to publicly announce matters related to the issuance of the common stock and 58th stock acquisition rights, and not for the purpose of soliciting investment. This document does not constitute an offer of investment in nor solicitation for purchase of the common stock and 58th stock acquisition rights within the United States. Regarding the common stock and 58th stock acquisition rights, SymBio has not registered, and is not scheduled to register, any of them under the United States Securities Act of 1933. The securities may not be offered or sold in the United States without a registration or an exemption from registration under the United States Securities Act of 1933. No offer of securities in the United States will be made in connection with this transaction.

Number of dilutive shares due to the subscription	7,000,000 shares
Exercise status at present	Number of exercised shares: 7,000,000 shares (Remaining stock acquisition rights: 0; exercise price: ¥547)
Procured funds at present	¥2,279,720,000
Initial use of funds at the time of issuance	(1) Development of in-licensed drugs (2) Establishment of the Company's own salesforce (3) Investment in new in-licensing, M&A, and other means of securing long-term growth opportunities.
Planned timing for disbursement at the time of issuance	From March 2020, as needed
Appropriation status at present	In line with the initial plan for fund usage, ¥2,279,720,000 has been appropriated for in-licensed drug development, as follows. ・ ¥30 million for a Phase III clinical trial for TREAKISYM® targeting recurrent/refractory diffuse large B-cell lymphoma (r/r DLBCL) from April 2020 to June 2021 ・ ¥240 million in development expenses for a TREAKISYM® liquid formulation (ready-to-dilute [RTD]) from April 2020 to June 2021 ・ ¥779 million in development expenses for a TREAKISYM® liquid formulation (rapid infusion [RI]) from April 2020 to June 2021 ・ ¥155 million in development expenses for rigosertib (intravenous formulation and oral formulation) from April 2020 to June 2021 ・ ¥1,076 million in development expenses for an intravenous formulation of brincidofovir from April 2020 to June 2021

Issuance of the 51st Stock Acquisition Rights by third-party allotment

Date of allotment	March 16, 2020
Number of stock acquisition rights issued	3,000,000 unit
Issue price	Total of ¥3,120,000 (¥1.04 per unit)
Planned amount of funding at the time of issuance	¥1,644,120,000 (Breakdown) Portion from the issuance of stock acquisition rights: ¥3,120,000 Portion from the exercise of stock acquisition rights: ¥1,641,000,000
Allottee	EVO FUND
Number of issued shares at the time of subscription	26,437,681 shares
Number of dilutive shares due to the subscription	3,000,000 shares
Exercise status at present	Number of exercised shares: 3,000,000 shares

Note: This document does not constitute an investment solicitation for any securities for sale. This document has been prepared to publicly announce matters related to the issuance of the common stock and 58th stock acquisition rights, and not for the purpose of soliciting investment. This document does not constitute an offer of investment in nor solicitation for purchase of the common stock and 58th stock acquisition rights within the United States. Regarding the common stock and 58th stock acquisition rights, SymBio has not registered, and is not scheduled to register, any of them under the United States Securities Act of 1933. The securities may not be offered or sold in the United States without a registration or an exemption from registration under the United States Securities Act of 1933. No offer of securities in the United States will be made in connection with this transaction.

	(Remaining stock acquisition rights: 0; exercise price: ¥547)
Procured funds at present	¥1,032,320,000
Initial use of funds at the time of issuance	(1) Development of in-licensed drugs (2) Establishment of the Company's own salesforce (3) Investment in new in-licensing, M&A, and other means of securing long-term growth opportunities.
Planned timing for disbursement at the time of issuance	From March 2020, as needed
Appropriation status at present	In line with the initial plan for fund usage, ¥1,032,320,000 has been appropriated for the establishment of SymBio's own salesforce, as follows. ・ ¥518 million to cover hiring and personnel expenses for sales staff from October 2020 to June 2021 ・ ¥173 million to cover expenses for sales and marketing activities from October 2020 to June 2021 ・ ¥341 million to cover expenses associated with building sales and other systems to support the distribution of pharmaceutical drugs from October 2020 to June 2021

Attachment 1

SymBio Pharmaceuticals Limited
Terms and Conditions for the Issuance of Common Shares

1. Class of Shares Offered
   Common shares of the Company

2. Number of Shares Offered
   1,000,000 shares

3. Amount to Be Paid In
   ¥662 per share

4. Total Amount to Be Paid In
   ¥662,000,000

5. Amount of Capital Stock and Legal Capital Surplus to Be Increased

Amount of capital stock to be increased	¥331,000,000
Amount of legal capital surplus to be increased	¥331,000,000

6. Due Date of Payment
   June 1, 2022

Attachment 2

Terms and Conditions for the Issuance of SymBio Pharmaceuticals Limited's 58th Stock Acquisition Rights

1. Name of the Stock Acquisition Rights

SymBio Pharmaceuticals Limited's 58th Stock Acquisition Rights (the "Stock Acquisition Rights")

2. Deadline for Application

June 1, 2022

3. Date of Allotment

June 1, 2022

4. Due Date of Payment

June 1, 2022

5. Method of Subscription

All Stock Acquisition Rights shall be allotted to CVI Investments, Inc. via third-party allotment.

6. Class and Number of Shares Underlying the Stock Acquisition Rights

(1) The class and total number of shares underlying the Stock Acquisition Rights shall be 2,000,000 common shares of SymBio (the number of shares allotted per unit of the Stock Acquisition Rights shall be 100 shares [the "Number of Shares Allotted"]). Provided, however, that in the event the Number of Shares Allotted are adjusted in accordance with Items (2)–(4) below, the total number of shares underlying the Stock Acquisition Rights shall be adjusted based on the Number of Shares Allotted after adjustment.

(2) In the event SymBio conducts a stock split, gratis allotment, or reverse stock split for its common shares, the Number of Shares Allotted shall be adjusted according to the following formula. However, fractional amounts of less than one share resulting from the adjustment shall be truncated.

$$\text{Number of Shares Allotted after adjustment} = \text{Number of Shares Allotted before adjustment} \times \text{Stock split, gratis allotment, or reverse-split ratio}$$

In addition to the above, if an event arises that requires an adjustment to the Number of Shares Allotted after adjustment, the Company may adjust the Number of Shares Allotted after adjustment within a reasonable extent.

(3) In the event SymBio conducts a stock split, gratis allotment, or reverse stock split for the common shares of the Company, the Number of Shares Allotted after adjustment shall apply on and after the reference date for the stock split or reverse stock split, on and after the effective date for the gratis allotment, or on and after the reference date for the gratis allotment if such a reference date exists.

(4) If an adjustment is made to the Number of Shares Allotted, SymBio shall notify the holders of the Stock Acquisition Rights (the "Rights Holders") in writing of the intent and reason for such adjustment, the Number of Shares Allotted before adjustment, the Number of Shares Allotted after adjustment, the date on which the adjustment begins to be applicable, and other necessary matters by the day preceding the date on which the Number of Shares Allotted after adjustment begins to be applicable. Provided, however, that if the Company

cannot give such notice to the Rights Holders by the day preceding the date on which the adjustment begins to be applicable, the Company shall inform the Rights Holders promptly on or after the day on which the adjustment begins to be applicable.

7. Total Number of the Stock Acquisition Rights

20,000 units

8. Amount to Be Paid In for Each Unit of the Stock Acquisition Rights

¥688 (¥6.88 per underlying share)

9. Value of Property Contributed in Exercising Each Unit of the Stock Acquisition Rights

(1) The property contributed in exercising each unit of the Stock Acquisition Rights shall be money, and the amount to be contributed shall be the amount obtained by multiplying the exercise price by the Number of Shares Allotted.

(2) The amount per common share of SymBio contributed in exercising the Stock Acquisition Rights ("the Exercise Price") shall initially be ¥785.

10. Adjustment of the Exercise Price

(1) Following the issuance of the Stock Acquisition Rights, in case the number of common shares of SymBio changes or may change by reason of any event as set forth in Item (2) below, if the amount paid in for the new issuance of common shares of the Company or for the disposal of such shares held by the Company (in case of Item (2), 2) below, the acquisition price, etc., defined in Item (2), 3) below when exercising put options for shares with put options or stock acquisition rights in accordance with the initial issuance conditions; in case of Item (2), 3) below, the acquisition price, etc., after it has been revised down, etc.) is below the effective exercise price on the day specified as the date on which the Exercise Price after adjustment begins to be applicable as set forth in Item (2) below, the Exercise Price shall be the same amount as the applicable amount to be paid in or the acquisition price, etc.

(2) The cases in which the Exercise Price is adjusted due to the issuance of new shares, etc., and the timing for applying the Exercise Price after adjustment shall be as set forth below.

1) If the common shares of SymBio are newly issued or those held by the Company are disposed of (excluding by means of gratis allotment) (except for the cases of (i) delivery of common shares of the Company on the same day as the allotment date for the Stock Acquisition Rights; (ii) the delivery of common shares of the Company based on a restricted stock compensation scheme, (iii) the delivery of common shares of the Company upon the exercise of stock acquisition rights (including those attached to bonds with stock acquisition rights), upon the acquisition of shares with a put option or shares subject to call, or upon the exercise of rights that allow a request for delivery of common shares of the Company; and (iv) the delivery of common shares of the Company through a company split, share exchange, share issuance, or merger):
The Exercise Price after adjustment shall apply on and after the due date of payment (such date shall be the last day of the payment period for subscription if such a period has been established), or on and after the reference date for granting shareholders a right to allotment relating to such issuance or disposal, if such a reference date exists.

2) If shares with a put option that contain a provision to deliver common shares of SymBio, or stock acquisition rights that allow a request for delivery of common shares of the Company, are issued or granted (including those attached to bonds with stock acquisition rights) (collectively "Shares with a Put Option,

Etc.") (including by means of gratis allotment, but excluding those issued based on a stock options program, or those allotted to directors, other officers, or employees of the Company or its affiliates):

The Exercise Price after adjustment shall apply on and after the due date of payment (such date shall be the last day of the payment period if such a period has been established, or the allotment date in the case of stock acquisition rights), or (in the case of gratis allotment) on and after the effective date. Provided, however, that the Exercise Price after adjustment shall apply on and after the day following the reference date for granting shareholders a right to allotment if such a reference date exists.

3) If the consideration per common share of SymBio (the "Acquisition Price, Etc.") is revised down in accordance with the issuance conditions for Shares with a Put Option, Etc. (excluding those issued based on a restricted stock compensation scheme or based on a stock options program, or those allotted to directors or other officers or employees of SymBio or its affiliates):

The Exercise Price after adjustment shall apply on and after the day on which the Acquisition Price, Etc. after the downward revision, etc. becomes applicable.

4) If the common shares of SymBio are delivered in exchange for the acquisition of shares subject to call or stock acquisition rights subject to call (including those attached to bonds with stock acquisition rights) issued by the Company:

The Exercise Price after adjustment shall apply on and after the day following the acquisition date.

5) For transactions corresponding to Item 1) or 2) of this section, if a reference date has been established, and approval by the General Meeting of Shareholders, the Board of Directors, or another SymBio institution on or after the reference date on which the transaction becomes effective is set as a condition, the Exercise Price after adjustment shall apply on and after the day following the date of such approval, notwithstanding the provisions of Items 1) or 2) of this section. In such a case, the following formula shall be used to determine the number of common shares of SymBio to be delivered to the Rights Holders who have requested the exercise of the Stock Acquisition Rights in the period from the day following such reference date to the date of approval of such transaction.

$$\text{Number of shares} = \frac{(\text{Exercise Price before adjustment} - \text{Exercise Price after adjustment}) \times \text{Number of shares delivered at the Exercise Price before adjustment within the applicable period}}{\text{Exercise Price after adjustment}}$$

In such a case, fractional amounts of less than one share shall be truncated.

(3) Following the issuance of the Stock Acquisition Rights, in case the number of common shares of SymBio changes or may change by reason of any event as set forth in Item (4) below, the Company shall adjust the Exercise Price in accordance with the following equation (the "Exercise Price Adjustment Formula for Stock Splits, Etc.").

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Number of shares already issued} + \text{Number of shares newly issued or disposed of} \times \text{Amount to be paid in per share}}{\text{Market price}}$$

Note: This document does not constitute an investment solicitation for any securities for sale. This document has been prepared to publicly announce matters related to the issuance of the common stock and 58th stock acquisition rights, and not for the purpose of soliciting investment. This document does not constitute an offer of investment in nor solicitation for purchase of the common stock and 58th stock acquisition rights within the United States. Regarding the common stock and 58th stock acquisition rights, SymBio has not registered, and is not scheduled to register, any of them under the United States Securities Act of 1933. The securities may not be offered or sold in the United States without a registration or an exemption from registration under the United States Securities Act of 1933. No offer of securities in the United States will be made in connection with this transaction.

Number of shares already issued	+	Number of shares newly issued or disposed of	

(4) The cases in which the Exercise Price is adjusted according to the Exercise Price Adjustment Formula for Stock Splits, Etc., and the timing for applying the Exercise Price after adjustment shall be as set forth below.

1) If common shares of SymBio are issued through a stock split:
The Exercise Price after adjustment shall apply on and after the day following the reference date for the stock split.

2) If common shares of SymBio are issued through a gratis allotment to shareholders or are disposed of:
The Exercise Price after adjustment shall apply on and after the effective date for the gratis allotment, or on and after the reference date for the gratis allotment, if such a reference date exists.

3) For transactions corresponding to Item 1) or 2) of this section, if a reference date has been established, and approval by the General Meeting of Shareholders, the Board of Directors, or other SymBio institution on or after such reference date on which the transaction becomes effective is set as a condition, the Exercise Price after adjustment shall apply on and after the day following the date of such approval, notwithstanding the provisions of Items 1) or 2) of this section. In such a case, the following formula shall be used to determine the number of common shares of SymBio to be delivered to the Rights Holders who have requested the exercise of the Stock Acquisition Rights in the period from the day following such reference date to the date of approval of such transaction.

$$\text{Number of shares} = \frac{(\text{Exercise Price before adjustment} - \text{Exercise Price after adjustment}) \times \text{Number of shares delivered at the Exercise Price before adjustment within the applicable period}}{\text{Exercise Price after adjustment}}$$

In such a case, fractional amounts of less than one share shall be truncated.

(5) Following the issuance of the Stock Acquisition Rights, if a special dividend is paid as set forth in Item (6) below, SymBio shall adjust the Exercise Price in accordance with the following equation (the "Exercise Price Adjustment Formula for Special Dividends;" the Exercise Price Adjustment Formula for Stock Splits, Etc. and the Exercise Price Adjustment Formula for Special Dividends shall be collectively referred to as the "Exercise Price Adjustment Formulas.")

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Market price} - \text{Special dividend per share}}{\text{Market price}}$$

The "special dividend per share" shall be the amount obtained by dividing the special dividend by the Number of Shares Allotted on the reference date for the distribution of dividends from surplus. In calculating the special dividend per share, amounts below one yen shall be calculated to the second decimal place with the resulting numbers rounded off to the first decimal place.

(6) 1) A "special dividend" shall be the amount obtained by dividing the amount of the dividend from surplus per common share of SymBio on the reference dates that fall in the period through June 1, 2027 (including

monies paid in accordance with the provisions of Article 455, Paragraph 2 and Article 456 of the Companies Act; if the dividend property is property other than money, the book value of such property shall be the dividend value) by the Number of Shares Allotted on the applicable reference dates.

2) Adjustments to the Exercise Price stemming from a special dividend shall apply on and after the day following the date on which the dividend from surplus for the applicable reference dates was resolved as provided in Article 454 or 459 of the Companies Act.

(7) If the difference between the Exercise Price after adjustment calculated according to the Exercise Price Adjustment Formulas, and the Exercise Price before adjustment remains below one yen, the Exercise Price shall not be adjusted. Provided, however, that if SymBio adjusts the Exercise Price due to an event that requires such an adjustment thereafter, the Company shall use in place of the Exercise Price before adjustment in the Exercise Price Adjustment Formulas, the amount that remains after deducting the aforementioned difference from the Exercise Price before adjustment.

(8) 1) In using the Exercise Price Adjustment Formulas, amounts below one yen shall be calculated to the second decimal place with the resulting numbers rounded off to the first decimal place.

2) The market price used in the Exercise Price Adjustment Formulas shall be the average value of the closing prices of the common shares of SymBio in regular trading on the Tokyo Stock Exchange over 30 trading days that start from the 45th trading day prior to the day when the Exercise Price after adjustment is first applied (excluding days without a closing price) (however, the reference date shall be used in case of Item (4), 3) above) in case the Exercise Price Adjustment Formula for Stock Splits, Etc. is used, or prior to the reference date for the distribution of dividends from surplus in case the Exercise Price Adjustment Formula for Special Dividends is used. In this case, the average value shall be calculated to the second decimal place with the resulting numbers rounded off to the first decimal place.

3) The number of shares already issued used in the Exercise Price Adjustment Formulas shall be the total number of common shares issued by SymBio as of the reference date for granting shareholders a right to allotment if such a date exists, or, in the absence of such a date, as of the day that is one month prior to the date on which the Exercise Price after adjustment is applied for the first time, less the number of common shares held by the Company as of such date. Further, in case of Item (4), 1) above, the number of shares newly issued or disposed of used in the Exercise Price Adjustment Formulas shall not include the number of common shares of the Company that shall be allotted to the common shares held by the Company on the reference date.

(9) In cases other than the cases where an adjustment to the Exercise Price is required in accordance with Item (2), Item (4), or Item (5) above, the Company shall make the necessary adjustment to the Exercise Price following discussion with, and after having received approval from, the Rights Holders in the following cases.

1) If the Exercise Price is required to be adjusted because of a reverse stock split, capital decrease, company split, share exchange, share issuance, or merger;

2) If the Exercise Price is required to be adjusted because any other event, etc., arises that will result in or may lead to a change to the number of common shares of SymBio;

3) If multiple events that require the Exercise Price to be adjusted arise successively, and it becomes necessary to consider the effect of another event to determine the market price that shall be used for calculating the Exercise Price after adjustment due to one event.

(10) If an adjustment is made to the Exercise Price, SymBio shall notify the Rights Holders in writing of the intent and reason for such adjustment, the Exercise Price before adjustment, the Exercise Price after adjustment, the date on which the adjustment begins to be applicable, and other necessary matters by the day preceding the date on which the Exercise Price after adjustment begins to be applicable. Provided, however, that in the cases

specified in Item (2), 5) and Item (4), 3) above, or in other cases where the Company cannot give such notice by the day preceding the date when the adjustment begins to be applicable, the Company shall inform the Rights Holders promptly on or after the day when the adjustment begins to be applicable.

11. Exercise Period for the Stock Acquisition Rights

The period during which the Share Subscription Rights can be exercised shall be from June 2, 2022 to June 1, 2027.

12. Other Conditions for the Exercise of the Stock Acquisition Rights

Partial exercise of individual Stock Acquisition Rights shall not be permitted.

13. Increases in Capital Stock and Legal Capital Surplus in the Case of the Issuance of New Shares through the Exercise of the Stock Acquisition Rights

In the event of a share issuance by exercising the Stock Acquisition Rights, the amount to be contributed to capital stock shall be half the upper limit of an increase in capital stock and legal capital surplus calculated in accordance with Article 17 of the Rules of Corporate Accounting (with any fractional amounts less than one yen resulting from such calculation rounded up). The increase in legal capital surplus shall be the amount obtained by deducting the amount to be contributed to capital stock, from the upper limit of an increase in capital stock and legal capital surplus.

14. Method for the Exercise Request of Stock Acquisition Rights

(1) To exercise the Stock Acquisition Rights, Rights Holders must provide notification of the matters necessary for the exercise request at the exercise request location stated in Paragraph 17 during the exercise period for the Stock Acquisition Rights provided in Paragraph 11.

(2) To exercise the Stock Acquisition Rights, Rights Holders must provide notification of the matters necessary for the exercise request as stated in the preceding item. In addition, they must transfer the entire amount of value of property to be contributed in exercising the Stock Acquisition Rights, in cash to the account designated by SymBio at the payment handling location stated in Paragraph 18.

(3) The exercise request for the Stock Acquisition Rights shall become effective on the date when the notification of all necessary matters for the exercise request has been provided to the exercise request location stated in Paragraph 17, and the entire amount of value of property contributed in exercising the Stock Acquisition Rights has been remitted to the account stated in the preceding item.

15. Non-issuance of Stock Acquisition Right Certificates

SymBio will not issue any certificates representing the Stock Acquisition Rights.

16. Basis for Calculation of the Amount to Be Paid In for Stock Acquisition Rights and the Value of Property Contributed in Exercising the Stock Acquisition Rights

The amount to be paid in for each unit of the Stock Acquisition Rights shall be ¥●, taking into consideration the various conditions set forth in the terms and conditions for the issuance of the Stock Acquisition Rights and the Purchase Agreement with the Allottee, and with reference to the results of an assessment based on the Monte Carlo simulation method, a commonly used price calculation model, and underpinned by certain assumptions regarding the share price of SymBio, the liquidity of the shares of the Company, how the Allottee exercises rights, shareholding trends for the Allottee, and other factors.

17. Exercise Request Location

Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank, Limited

18. Payment Handling Location

Yotsuya Branch, MUFG Bank, Ltd.

19. Application of the Act on Book-Entry of Company Bonds, Shares, Etc.

The Stock Acquisition Rights shall be book-entry stock acquisition rights as provided in the Act on Book-Entry of Company Bonds, Shares, etc., and the provisions of this act shall apply to all of the rights. Further, handling of the Stock Acquisition Rights shall be conducted in accordance with operating regulations related to the book entry of shares, related regulations for enforcement, and other regulations provided by Japan Securities Depository Center, Inc.

20. Name and Location of the Book-Entry Transfer Institution

Japan Securities Depository Center, Inc.

7-1 Nihonbashi Kabuto-cho, Chuo-ku, Tokyo 103-0026, Japan

21. Other

(1) The paragraphs above shall apply on the condition that the notification in accordance with the Financial Instruments and Exchange Act becomes effective.

(2) SymBio has determined that the conditions for the Stock Acquisition Rights are the best it can secure at the present time after taking into consideration market conditions, its financial condition, the amount to be paid in for the Stock Acquisition Rights, and other factors.

(3) Other necessary matters related to the issuance of the Stock Acquisition Rights shall be entrusted to the representative director and CEO of SymBio.