

To All concerned Parties

Company Name: Solasia Pharma K.K.
 Representative: Yoshihiro Arai, President & CEO
 (Code number: 4597, TSE Mothers Section)
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Announcement Regarding Issuance of New Shares and Secondary Offering of Shares

Solasia Pharma K.K. (the “Company”) hereby announces that, at a meeting held on 28 August 2018, its board of directors resolved to issue new shares and make a secondary offering of shares as set forth below.

The Company intends to apply the net proceeds from the offerings for the global phase III clinical study of SP-04, a product pipeline for Chemotherapy Induced Peripheral Neuropathy, expected to commence during the latter half of the fiscal year 2018.

1. Issuance of New Shares by way of Offering

(1) Class and Number of Shares to be Offered	14,782,700 shares of common stock of the Company.
(2) Method of Determination of Amount to be Paid In	The amount to be paid in will be determined on a day in the period from 5 September 2018 (Wed) to 10 September 2018 (Mon) (the “Issue Price Determination Date”) in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting of Securities, etc. promulgated by the Japan Securities Dealers Association (the “JSDA”).
(3) Amount of Capital Stock and Legal Capital Surplus to be increased:	The amount of capital stock to be increased shall be one-half of the maximum increase amount of capital calculated in accordance with paragraph 1 of Article 14 of the Rules of Corporate Accounting. Any figures less than JPY1 shall be rounded up. The amount of legal capital surplus to be increase shall be the remainder of the maximum increase amount of capital subtracted by the amount of capital stock to be increased.
(4) Method of Offering	A public offering will be made in and the underwriter (the “Underwriter”), shall underwrite all of the shares offered in the public offering. The issue price (the offer price) will be determined on the Issue Price Determination Date of the offerings in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting of Securities, etc. promulgated by the JSDA, based on the preliminary pricing terms calculated

Note: This press release does not constitute an offer of any securities for sale. This press release has been prepared for the sole purpose of publicly announcing that Solasia Pharma K.K. has resolved matters relating to the issuance of its new shares and secondary offering of shares, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. The potential investors should refer to a securities registration prospectus for the issuance of new shares and secondary offering of shares and any amendments thereto that Solasia Pharma K.K. will prepare before deciding to invest by themselves. This press release is not an offer of common stocks of Solasia Pharma K.K. for sale in the United States. The securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933. If any public offering of securities is made in the United States, it will be by means of a prospectus which will be prepared pursuant to the United States Securities Act of 1933. The securities referred to above will not be publicly offered or sold in the United States.

	<p>by multiplying the closing price in regular trading of the shares of common stock of the Company on the Tokyo Stock Exchange, Inc. on the Issue Price Determination Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with any fraction less than one yen being rounded down), taking into account market demand and other conditions.</p> <p>A portion of common stock of the Company may be sold outside Japan, mainly in Europe and Asia (and excluding the United States and Canada)</p>
(5) Compensation for the Underwriter	The Company will not pay any underwriting fees to the Underwriter. The aggregate amount of the difference between the issue price (the offer price) in the public offering and the amount to be paid to the Company by the Underwriter shall be retained by the Underwriter.
(6) Payment Date	The payment date is expected to be a day in the period from 12 September 2018 (Wed) to 18 September 2018 (Tue), provided, however, that such day is the fifth business day following the Issue Price Determination Date.
(7) Delivery Date	One business day following the Payment Date.
(8) Advance on Subscription	Advance on subscription shall be the same amount as the price of the issue price
(9) Denominations	100 shares
(10)	The amount to be paid in, the amount of capital stock and legal capital surplus to be increased, the issue price (the offer price), and any other matters necessary for this issuance of new shares by way of offering will be determined at the discretion of Yoshihiro Arai, President & CEO.
(11)	The Japanese Public Offering is subject to the effectiveness of a securities registration statement filed under the Financial Instruments and Exchange Act (the “FIEA”).

2. Secondary Offering of Shares (Secondary Offering by way of Over-Allotment) (see “<Reference>” below)

(1) Class and Number of Shares to be Sold	<p>2,217,300 shares of common stock of the Company</p> <p>The number of shares mentioned above is the maximum number of shares to be sold. The above number may decrease, or this secondary offering by way of over-allotment itself may be cancelled, depending on market demand and other conditions in the public offering. Furthermore, the number of shares to be sold will be determined on the Issue Price Determination Date, taking into account market demand and other conditions in the public offering and the secondary offering by way of purchase and subscription by the underwriter.</p>
(2) Seller	Underwriter
(3) Selling Price	To be determined (the selling price will be determined on the Issue Price Determination Date; provided, however, that such selling price will be the same as the issue price (the offer price) in the issuance of new shares by way of offering).
(4) Method of Secondary	Taking into account market demand and other conditions for the public

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Offering	offering, the Underwriter will make a secondary offering of common stock of the Company that it borrows from a certain shareholder of the Company.
(5) Delivery Date	Delivery Date will be the same as the amount to be paid in with respect to the issuance of new shares by way of offering.
(6) Advance on Subscription	Advance on Subscription will be the same as the amount to be paid in with respect to the issuance of new shares by way of offering.
(7) Denominations	100 shares
(8) The selling price and any other matters necessary for this secondary offering by way of over-allotment will be approved at the discretion of Yoshihiro Arai, President & CEO.	
(9) The secondary offering by way of over-allotment is subject to registration taking effect under the FIEA.	

3. Issuance of New Shares by way of Third-Party Allotment (see “<Reference>” below)

(1) Class and Number of Shares to be Offered	2,217,300 shares of common stock of the Company
(2) Amount to be Paid In	The amount to be paid in will be the same as the amount to be paid in with respect to the issuance of new shares by way of offering.
(3) Amount of Capital Stock and Legal Capital Surplus to be increased:	The amount of capital stock to be increased shall be one-half of the maximum increase amount of capital calculated in accordance with paragraph 1 of Article 14 of the Rules of Corporate Accounting. Any figures less than JPY1 shall be rounded up. The amount of legal capital surplus to be increase shall be the remainder of the maximum increase amount of capital subtracted by the amount of capital stock to be increased.
(4) Allottee and the amount to be allotted	The Underwriter; 2,217,300 shares of common stock of the Company
(5) Payment Date	The payment date is expected to be a day in the period from 11 October 2018 (Thu) to 17 October 2018 (Wed) provided, however, that such day is the 3 business days following the 30th day after the last application date (the prior business day in case the 30th day is not a business day).
(6) Denomination	100 shares
(7) The amount to be paid in, the amount of capital stock and legal capital surplus to be increased, and any other matters necessary for issuance of new shares by way of the third-party allotment will be determined at the discretion of Yoshihiro Arai, President & CEO.	
(8) Shares not subscribed for within the subscription period (subscription date) will not be issued.	
(9) Issuance of new shares by way of the third-party allotment is subject to the registration taking effect under the FIEA.	

<Reference>

Secondary Offering of shares by way of Over-Allotment

The secondary offering by way of over-allotment described in “2. Secondary Offering of Shares (Secondary Offering by

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way of Over-Allotment)” above is a secondary offering of shares of common stock of the Company in Japan to be made in conjunction with the public offering described in “1. Issuance of New Shares by way of Offering” in an amount not to exceed 2,217,300 shares, which will be borrowed by the Underwriter from a certain shareholder of the Company, taking into account market demand for the offerings and other conditions. The number of shares in the secondary offering by way of over-allotment indicates the maximum number of shares to be sold, and depending on market demand and other conditions such number may decrease, or the secondary offering by way of over-allotment itself may be cancelled.

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