September 17, 2019

Shin Nippon Biomedical Laboratories, Ltd.
(The First Section of the Tokyo Stock Code Number: 2395)
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Notice of Stock Listing of the SNBL's Important Investee (Satsuma Pharmaceuticals, Inc.)

Shin Nippon Biomedical Laboratories, Ltd. ("SNBL") hereby announces that Satsuma Pharmaceuticals, Inc. ("Satsuma"), located in California, USA, was approved for listing on The Nasdaq Stock Market on September 11, 2019 and will commence trading on September 13, 2019. Satsuma was established as a subsidiary of SNBL in 2016, at which time SNBL licensed its nasal drug delivery technology to Satsuma. Satsuma is now an important investee of SNBL. The details of the stock listing are as follows:

1. Outlines of Satsuma's Listing and Capital Increase through Public Offering

(1) Company Name	Satsuma Pharmaceuticals, Inc.
(2) Location of Head Office	400 Oyster Point Boulevard, Suite 221, South San Francisco, CA 94080
(3) Title and Name of Representative	President and CEO, John Kollins
(4) Description of Business	Clinical-stage biopharmaceutical company developing a novel therapeutic product for the acute treatment of migraine
(5) Date of Establishment	June 21, 2016
(6) Date of Listing	September 13, 2019
(7) Initial Public Offering Price	US$15.00 per share
(8) Number of issued shares	5,500,000 shares(*)
(9) Total number of issued shares	16,605,256 shares(*)
(10) Gross proceeds	US$82,500,000(*)
(11) Number of shares held by and shareholding ratio of Company	1,561,719 shares shareholding ratio: 9.4% (*)

(*)excluding exercise by the underwriters of their option to purchase an additional 825,000 shares

2. Impact on Business Performance and Financial Position

The market value of Satsuma's stock held by SNBL (1,561,719 shares), including shares which SNBL applied for this public offering, is US$23,425,785 (based on the IPO price).

At the IPO price at the time of listing, compared to before listing, the investment securities and net assets of SNBL are expected to increase by 2,216 million yen and 1,278 million yen, respectively.

In addition, we recognize that the impact of this IPO on our business performance will be minor, but if the IPO is deemed to have an impact on our business forecast, we will promptly disclose the information.

3. Business Relationship with Satsuma

SNBL has a license agreement with Satsuma pursuant to which SNBL has assigned to Satsuma certain patent rights and know-how that are directed to SNBL's proprietary nasal drug delivery technology, including its proprietary nasal delivery device and formulation technologies, for use with dihydroergotamine (DHE) mesylate. If Satsuma's development of its lead product candidate, STS101* for the treatment of migraine, goes smoothly and according to its business plan (which includes an expected New Drug Application filed with the FDA by the end of 2021) and the drug is approved by the FDA and commercially launched, a royalty based on the sales of STS101

will be paid to SNBL.

In addition, if this royalty is deemed to have an impact on our business performance, we will promptly disclose the information.

* About nasal migraine therapeutics STS101

Based on reported prevalence data, there are approximately 39 million migraine patients in the United States and more than 100 million migraine patients in Europe. Migraine is most prevalent among adults ages 18 - 44 years old. There is a growing need for medication that can quickly relieve acute migraine attacks.

Among the existing drugs for the acute treatment of migraine, the predominant therapy is triptans. However, triptans are effective only for certain patients or certain types of migraines, have slow and variable pain relief, and may produce various adverse reactions. Moreover, over-the-counter DHE nasal drops (liquid) present challenges, including high variability and slow absorption, resulting in unreliable clinical performance and sub-optimal therapeutic response for many patients.

STS101 under development by Satsuma is designed to overcome the weakness of the existing DHE drugs while providing the benefits of DHE as reliable and convenient DHE product. In a Phase 1 clinical trial conducted by Satsuma, STS101 demonstrated rapid and sustained DHE plasma concentrations, low pharmacokinetic variability, and a favorable safety and tolerability profile. In July 2019, Satsuma initiated its Phase 3 EMERGE efficacy trial of STS101 and it expects to report topline data in the second half of 2020.