PRESS RELEASE

Notice of Issuance of New Shares Under Restricted Stock Unit (RSU) Plan

Tokyo, Japan and London, UK, 16 April 2020 – Sosei Group Corporation ("the Company"; TSE: 4565) announces that a resolution to issue new shares ("the Share Issuance") under the Restricted Stock Unit ("RSU") Plan was adopted at the Board of Directors meeting held today as follows.

1. Details of Issuance

(1) Payment date	7th RSU 9 April 2021 8th RSU 19 May 2022 9th RSU 18 May 2023
(2) Type and number of shares to be issued	489,542 shares of the Company's common stock (8th and 9th are planned number of shares) (Breakdown) 7th RSU 39,780 shares 8th RSU 224,881 shares (planned) 9th RSU 224,881 shares (planned)
(3) Payment amount	7th RSU: 1,426 Yen per share 8th and 9th RSU: Representative Executive Officer will decide the payment amount hereafter
(4) Total issue value	7th RSU: 56,726,280 yen 8th and 9th RSU: the Representative Executive Officer will decide the total issue value hereafter
(5) Planned Allottees	7th RSU 39,780 shares will be allotted among 5 Directors of the Company 8th RSU 7 Directors and Executive Officers of the Company 61 Directors of subsidiaries of the Company and employees of the Company and its subsidiaries 224,881 shares to be allotted (planned) 9th RSU 7 Directors and Executive Officers of the Company 61 Directors of subsidiaries of the Company and employees of the Company and its subsidiaries 224,881 shares to be allotted (planned)
(6) Other details	The Share Issuance shall be subject to becoming effective of the Securities Registration Statement filed in accordance with the Financial Instruments and Exchange Act.

	The number of shares planned to be allotted for the 8th and 9th RSU is subject to change by the decision of the Representative Executive Officer.

2. Objectives of and Rationale for the Issuance

In FY2019, The Company introduced the Restricted Stock Unit Plan ("the Plan") with the intention to increase the motivation and drive of the Directors, the Executive Officers and the Eligible Employees of the Company and its wholly owned subsidiaries ("Executives and Employees") to energetically realize the Company's vision and strategy. The Plan will also promote the sharing of benefits and risks of share price fluctuations with shareholders, and further encourage the Executives and Employees of the Company and its wholly owned subsidiaries to actively contribute to the increase of the share price and enhance the Company's corporate value.

The Share Issuance is to be executed under the resolution by the Board of Directors meeting of the Company held on April 16, 2020 as part of the compensation under the Plan, on the condition that the Executives and Employees hold the position of Executive or Employee during the specified period ("Relevant Performance Period") relating to the 7th to 9th RSU listed in the table below.

	Persons Eligible for Allotment	Allotment number	Payment amount	Relevant Performance Period
7th RSU	5 Directors of the Company	39,780 shares	56,726,280 Yen	For the length of service between 1 April 2020 to 31 March 2021
8th RSU	7 Directors and Executive Officers of the Company 61 Directors of subsidiaries of the Company and employees of the Company and its subsidiaries	224,881 shares (Planned)	320,680,306 Yen (Note)	For the length of service between 1 April 2020 to 31 March 2022
9th RSU	7 Directors and Executive Officers of the Company 61 Directors of subsidiaries of the Company and employees of the Company and its subsidiaries	224,881 shares (Planned)	320,680,306 Yen (Note)	For the length of service between 1 April 2020 to 31 March 2023

(Note) Payment amount for 8th RSU and 9th RSU is estimated amount at the time of submission of this Press Release "Notice of Issuance of New Shares Under Restricted Stock Unit (RSU) Plan." Actual payment amount is an amount obtained by multiplying the allotted number of shares by

the payment amount per share which is determined by the Representative Executive Officer as of the Date of Determination as stated (ii) below.

The Company's Board of Directors determined the number of shares to be allotted and the payment amount per share relating to the 7th RSU as follows and entrusted the Representative Executive Officer with the determination of the number of shares to be allotted and the payment amount per share relating to the 8th and 9th RSU.

(i) 7th RSU
The number of shares to be allotted has been determined by the resolution at the Company's Board of Directors meeting held on April 16, 2020.
The payment amount per share has been determined by the resolution of the Company's Board of Directors meeting as at the closing price of the Company's shares on the Tokyo Stock Exchange as of the business day immediately preceding the date of the resolution (April 15, 2020).
The payment amount is the market share price immediately preceding the date of the resolution of the Company's Board of Directors, so that the Company considers it is not issuance of shares at particularly favorable value.

(ii) 8th and 9th RSU
Allotment relating to the 8th and 9th RSU will be executed in 2022 and 2023, and the determination of the number of shares to be allotted and the payment amount per share has been entrusted with the Representative Executive Officer by the resolution of the Company's Board of Directors meeting held on April 16, 2020.
The number of shares to be allotted will be determined by a decision made by the Representative Executive Officer as of the day determined by the Board of Directors for each RSU (the "Date of Determination") pursuant to the aforementioned entrustment. Accordingly, the aforementioned total allotment of 449,762 shares relating to the 8th and 9th RSU may be changed as a result of a decision made by Representative Executive Officer. The payment amount per share will be determined by the Representative Executive Officer pursuant to the aforementioned entrustment on the Date of Determination as at the closing price of the Company's shares on the Tokyo Stock Exchange on the day immediately prior to the Date of Determination (if no closing price is quoted, the closing price of the immediately preceding trading date to such business day).
The payment amount per share is the market share price immediately preceding the Date of the Determination by Representative Executive Officer, so the Company considers it is not issuance of shares at a particularly favorable value.
(*) The Date of Determination for each of the 8th and 9th RSU is as follows.
8th RSU: 8 April, 2022
9th RSU: 7 April, 2023

The contents of the Plan are stated in <Overview of the Plan> below.

<Overview of the Plan>

(1) Conditions of Allotment

The Company will allot shares of the Company according to the predefined method to the Executives and Employees on the condition that they hold the position of Executive or Employee during the Relevant Performance Period running from 1 April 2020 to a specified date determined separately for each Executive and Employee.

(2) Maximum number of our Shares to be issued under the Plan

The number of Shares to be issued under the Plan including the number of Shares to be issued under other stock-based compensation plan of the Company will not exceed 10% of our total number of outstanding shares.

(3) Method to deliver the Company's shares

Under the Plan, the Company will deliver the Company's common shares to Executives and Employees following the end of the predefined Relevant Performance Period in return for provision as contribution in kind of monetary compensation claims against the Company granted to the Executives and Employees of the Company and its wholly owned subsidiaries as the Planned Allottees.

The amount of monetary compensation claims granted to each person eligible for allotment will be the amount obtained by multiplying the aforementioned payment amount per share by the predefined number of allotted shares which is determined by taking into account the degree of contribution to the Company, etc., of each person eligible for allotment.

(4) Grounds for Forfeiture

If during their Relevant Performance Period an Executive or Employee falls under certain specified circumstances, such as being subject to criminal punishment equivalent to or more severe than imprisonment or being subject to a filing for the commencement of insolvency proceedings or civil rehabilitation proceedings, etc., that Executive or Employee will not obtain any right to be allotted Company shares under the Plan and their rights to receive Company Shares will be extinguished at the time such circumstances in question occurs.

(5) Treatment in Cases of Reorganization or Change of Control Transactions

If during a Relevant Performance Period a general meeting of shareholders, etc. of the Company approves a transaction involving a reorganization or a change of control, such as a merger agreement in which the Company is the dissolved entity or a share exchange agreement or share transfer agreement under which the Company becomes a wholly owned subsidiary and that transaction becomes effective before the completion of the Relevant Performance Period, the Company will, by resolution of the Board of Directors, allot the maximum number of shares prior to the reorganization transaction coming into effect.

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PRESS RELEASE

About Sosei Heptares

We are an international biopharmaceutical group focused on the discovery and early development of new medicines originating from our proprietary GPCR-targeted StaR® technology and structure-based drug design platform capabilities. We are advancing a broad and deep pipeline of novel medicines across multiple therapeutic areas, including CNS, immuno-oncology, gastroenterology, inflammation and other rare/specialty indications.

We have established partnerships with some of the world's leading pharmaceutical companies, including Allergan, AstraZeneca, Daiichi-Sankyo, Genentech (Roche), Novartis, Pfizer and Takeda; and with innovative biotechnology companies, including Kymab, MorphoSys and PeptiDream. Sosei Heptares is headquartered in Tokyo, Japan with R&D facilities in Cambridge, UK.

"Sosei Heptares" is the corporate brand of Sosei Group Corporation, which is listed on the Tokyo Stock Exchange (ticker: 4565). Sosei, Heptares, the logo and StaR® are Trade Marks of Sosei Group companies.

For more information, please visit https://www.soseiheptares.com
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Forward-looking statements

This press release contains forward-looking statements, including statements about the discovery, development and commercialization of products. Various risks may cause Sosei Group Corporation's actual results to differ materially from those expressed or implied by the forward-looking statements, including: adverse results in clinical development programs; failure to obtain patent protection for inventions; commercial limitations imposed by patents owned or controlled by third parties; dependence upon strategic alliance partners to develop and commercialize products and services; difficulties or delays in obtaining regulatory approvals to market products and services resulting from development efforts; the requirement for substantial funding to conduct research and development and to expand commercialization activities; and product initiatives by competitors. As a result of these factors, prospective investors are cautioned not to rely on any forward-looking statements. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.