

Working Capital Financing for Stable Supply of GBS-007

July 10, 2023

Biotech Engineering Company, Striving for Value Creation

– For Comprehensive Healthcare System for Children as well as Families and Society –

Kidswell Bio Corporation

Securing Working Capital for Biosimilar Business Financing requirement for increased orders of GBS-007

- 1 Working capital for manufacturing biosimilar products
 - Carrying out the business strategy in KWB 2.0 to expand biosimilar business
 - Maintaining stable supply for patients
- 2 Enriching share capital by equity financing
 - To make more potential financing options including bank loan, etc. available



Consolidating a financial foundation to support KWB’s business growth

Outline of Financing Scheme

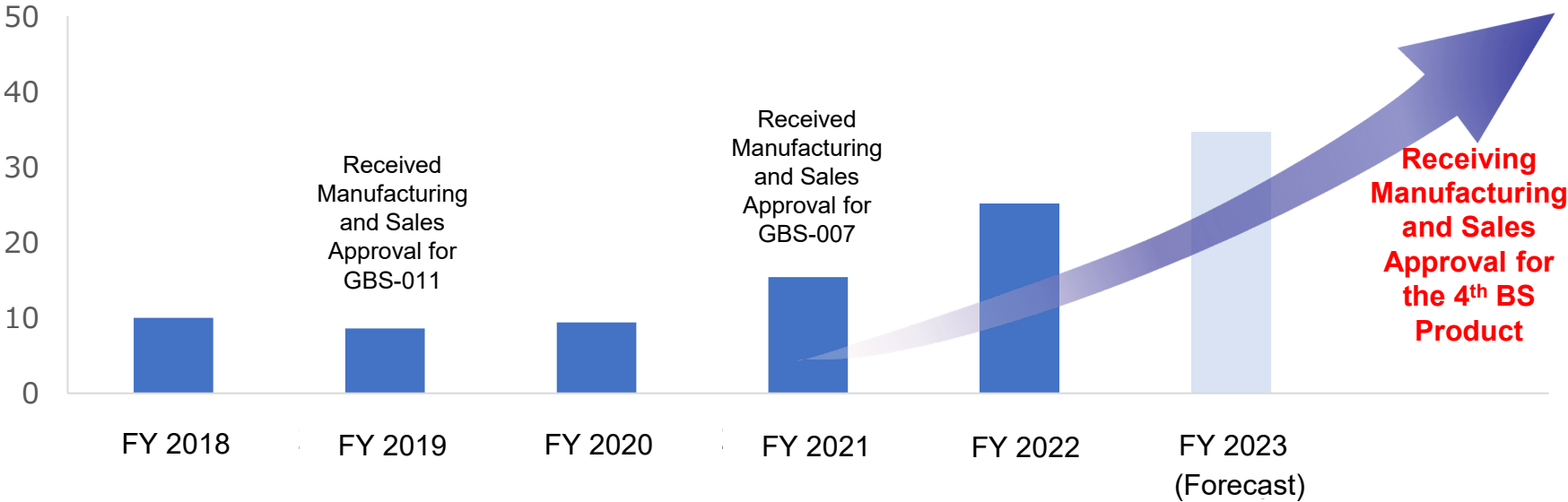
18th series of stock acquisition rights (with exercise price adjustment clause)

Day of allotment	July 26, 2023
Number of issuances	150,000 units
Number of dilutive shares	15,000,000 shares (100 shares per unit of the stock acquisition rights)
Amount of financing	Equivariant to JPY 3,000,000,000
Exercise price	Original exercise price: 90% of the closing price on July 7, 2023 Lower limit exercise price: 50% of the closing price on July 7, 2023 There is no upper limit of exercise price.
Exercise price adjustment	August 3, 2023 will be the first revision date of the exercise price, and every Thursday thereafter, the exercise price will be the lowest price of the volume-weighted average price of ordinary trading of the Company's common stock on the Tokyo Stock Exchange on each day of the 15 consecutive trading days preceding the revision date. However, if the revised exercise price on the revision date falls below the minimum exercise price, the minimum exercise price shall be the exercise price.
Subscription for shares and issuing method	CVI Investments, by the method of third-party allocation
Details of Exercise Quantity Restrictions	KWB shall not permit CVI investments to carry out any Excess Exercise (which is any exercise of 4th CB, 10th and 18th stock acquisition rights which, in total, amount exceeds 10% of the number of listed shares).

① Total number of issued shares (As to July 7, 2023)	32,066,013 shares
② Maximum number of potential diluted shares (4 th series of CVs, 10 th and 15 th series of stock acquisition rights)	6,160,878 shares
③ Maximum number of potential diluted shares of 18 th series of stock acquisition rights	15,000,000 shares
Total shares (①+②+③)	53,226,891shares
Total number of authorized shares	60,000,000 shares

Strong sales growth of biosimilar business achieved through timely financing

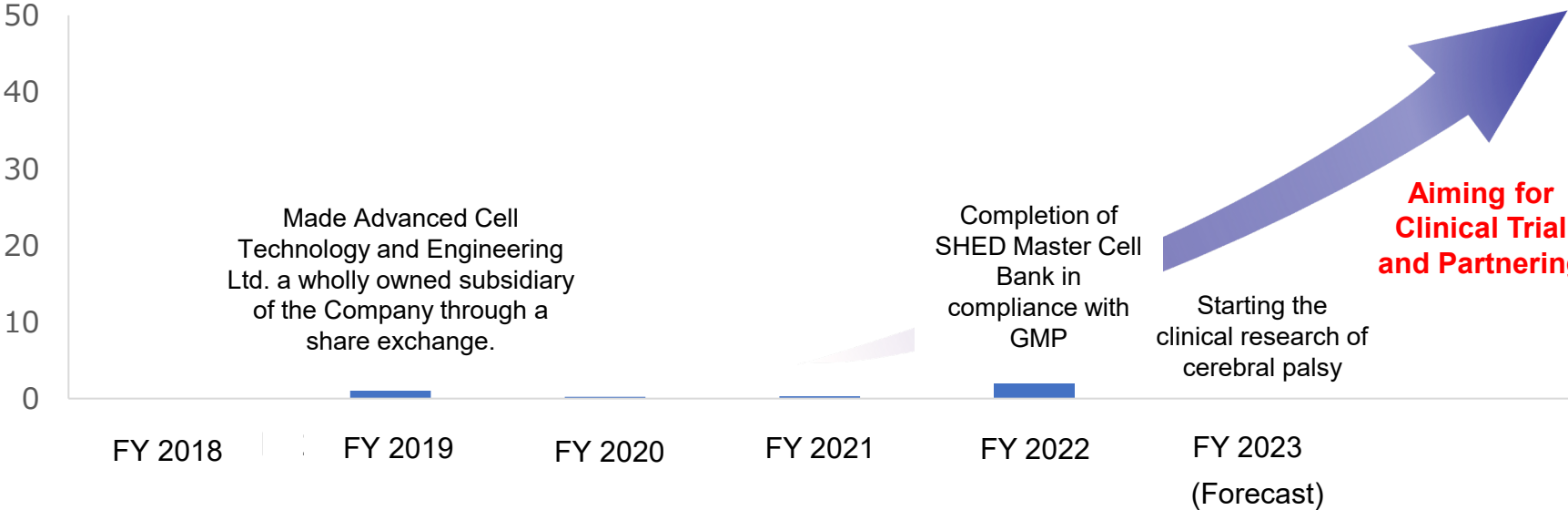
Sales of Biosimilar business (unit: 100 million yen)



Financing Amount		Long-Term Debt: 600 million yen		Long-Term Debt: 1 billion yen CB: 500 million yen Stock Acquisition Rights/ Warrants: (To be executed)		Stock Acquisition Rights/ Warrants (To be issued)
----------------------------	--	-------------------------------------------	--	-----------------------------------------------------------------------------------------------------------------------------------------	--	-------------------------------------------------------------

Strengthening business basis through this financing for the cell therapy business and stepping forward R&D activities

Sale of the Cell Therapy Business (100 million yen)



Financing Amount		CB 1.2 billion yen				
		Stock Acquisition Rights/ Warrants 500 million yen (To be executed)				

Executing “balanced” business strategies between R&D activities and financing leading to “appropriate” share price

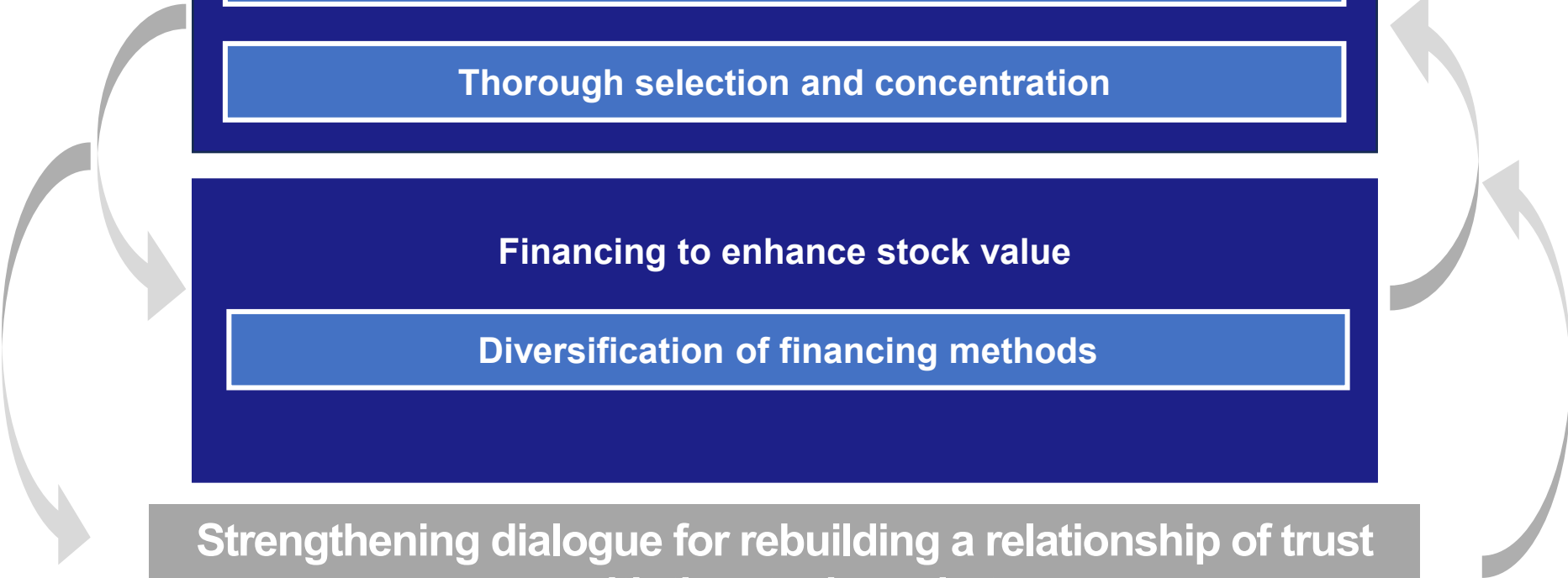
Implementation of R&D activities based on ROI

- Prioritizing projects considering profitability
- Thorough selection and concentration

Financing to enhance stock value

- Diversification of financing methods

Strengthening dialogue for rebuilding a relationship of trust with the stock market



This information material is provided for understanding Kidswell Bio Corporation (“KWB”), not for soliciting investment in KWB shares.

Information provided in this material may contain so-called “forward-looking statements.” These statements are based on current expectations, forecasts, and assumptions that are subject to risks and uncertainties, which could cause actual outcomes and results to differ materially from these statements. Risks and uncertainties include success rate of R&D projects, new regulations and rules, relations with partners in the future, etc.

This material includes information on pharmaceutical products and regenerative medicine (or related products), etc., which is being developed or launched. However, this is not intended to promote our products or provide medical advice.

KIDS WELL, ALL WELL

こどもの力になること、こどもが力になれること

