



August 8, 2019
Gene Techno Science Co., Ltd.
Code: 4584 (TSE Mothers)
Masaharu Tani, President & CEO

Announcement of Execution of Incorporation-type Company Split
of Consolidated Subsidiary

Tokyo, August 8, 2019 – Advanced Cell Technology and Engineering Ltd. (“ACTE”), which is a consolidated subsidiary of Gene Techno Science Co., Ltd. (TSE Mothers: 4584 “GTS”), will split a part of ACTE’s business into Remcare Ltd. (“Remcare”) by an incorporation-type company split (“Company Split”) and made Remcare a 100% wholly-owned subsidiary of ACTE.

1. Purpose of the Company Split

Of the dental pulp stem cell culture supernatant business of ACTE, ACTE will continue to operate the business related to pharmaceutical research and development, and rights and obligations for cosmetic dermatology clinic business etc. will be transferred to a new subsidiary that will be newly established through the Company Split. The objective is to optimize management resources and promote each business efficiently by clearly separating the Group's core pharmaceutical research and development business within the Group. The contractual status and other rights and obligations related to the business to be split will be transferred to the new subsidiary on the effective date of the Company Split, however we will continue to actively work on the operations of each business

2. Outline of the Company Split

(1) Schedule of the Company Split

Resolution at the meeting of the Board of Directors (ACTE)	August 8, 2019
Resolution at the meeting of the Board of Directors (GTS)	August 8, 2019
Scheduled Date of Company Split (“Effective Date”)	October 1, 2019 (planned)
Scheduled Date of Incorporation/Registration	October 1, 2019 (planned)

ACTE conducted the Company Split without the approval of a General Shareholders' Meeting since said Company Split was considered to be a simplified form of business separation under Article 805 of the Companies Act, which did not require approval at a General Shareholders' Meeting.

(2) Method of the Company Split

Incorporation-type company split, which ACTE will be a split company and Remcare will be a newly established company.

(3) Allotment related to the Company Split

Remcare will issue 100 shares of common stock and all shares will be allocated to ACTE.

(4) Stock acquisition rights and bonds with stock acquisition rights related to the Company Split

There is no reporting item applicable to this matter

(5) Reduction in the amount of capital etc. related to the Company Split

There will be no reduction in the GTS capital as a result of the Company Split.

(6) Rights and obligations to be succeeded by the newly established company

Remcare will succeed assets, liabilities, contractual status and other rights and obligations belonging to ACTE's business to be split within the scope of the Company Split plan on the effective date.

(7) Expected fulfillment of debt

In ACTE and Remcare, it is currently assumed that the amount of assets is expected to exceed the amount of liabilities even after the Company Split, and there will not be a situation that will impede the performance of the obligations borne by business activities. Therefore, we have determined that there is no issue with the prospect of fulfilling the obligation.

3. Overview of the companies involved in the Company Split

(1) Split company (as of March 31, 2019)

1. Company Name	Advanced Cell Technology and Engineering Ltd.
2. Head Office	1-2-12, Shinkawa, Chuo-ku, Tokyo, 104-0033, Japan
3. Name and title of representative	Masaharu Tani President and CEO
4. Description of business	Cell therapy business Dental pulp culture supernatant business (research and development)
5. Date of establishment	October 30, 2008
6. Capital stock	372,460 thousand yen
7. Number of outstanding shares	5,482,300 shares
8. Fiscal year end	March 31
9. Major shareholders	Gene Techno Science Co., Ltd. 100%
10. Operational results and financial conditions for the most recent year (fiscal year ended March 2019*)	
Net assets	94,532 thousand yen
Total assets	434,079 thousand yen
Net assets per share	-3.23 yen
Net sales	132,182 thousand yen
Operating profit	-49,113 thousand yen
Ordinary profit	-47,637 thousand yen
Net profit	-74,732 thousand yen
Net profit per share	-13.63 yen

* Due to the change in the accounting period, ACTE's previous fiscal year has been 10 months from June 1, 2018 to March 31, 2019.

(2) Newly established company (October 1, 2019 (planned))

1. Company Name	Remcare Ltd.
2. Head Office	1-2-12, Shinkawa, Chuo-ku, Tokyo, 104-0033, Japan
3. Name and title of representative	Yasuo Sakae Board of director

4. Description of business	Dental pulp culture supernatant business (cosmetic dermatology clinic business etc.)
5. Date of establishment	October 1, 2019 (planned)
6. Capital stock	2,000 thousand yen
7. Number of outstanding shares	100 shares
8. Fiscal year end	March 31
9. Major shareholders	Advanced Cell Technology and Engineering Ltd. 100%

4. Status after the Company Split

There will be no change in the company name, head office, representative's name/title, business description, capital, and fiscal year of the split company ACTE.

5. Future outlook

The parties to the Incorporation-type Company Split are wholly-owned subsidiary and wholly-owned sub-sub-subsidiary of GTS, the impact on GTS's consolidated business results is minimal. We will promptly notify of any issues that need to be announced in the future.