



January 06, 2020
Gene Techno Science Co., Ltd.
Code: 4584 (TSE Mothers)
Masaharu Tani, President & CEO

**Announcement of Joint Development Agreement
with Sapporo Medical University**

- Development of anticancer drugs using antibodies -

Tokyo, January 6, 2020 – Gene Techno Science Co., Ltd. (“GTS”) executed a joint development agreement (“this agreement”) with Sapporo Medical University for a development of an anticancer drug using antibodies with an ability of entering cancer cell.

1. Purpose and background for concluding this agreement

This agreement aims to develop new anticancer drugs for rare and refractory cancers as a new pipeline in the new biologic business, which is the future growth driver for our company. In recent years, cancer treatment has dramatically improved due to the emergence of drugs that selectively inhibit abnormal proliferation signals of cancer cells or antibody drugs that selectively recognize only cancer cells. On the other hand, the therapeutic effect achieved only with single antibody drug is limited, so in clinical practice, the combination treatment of other existing anticancer drugs and antibody drugs is a common treatment. Recently, development of antibody-drug conjugates combining cytotoxic small molecules to an antibody that recognizes cancer cells, has been actively conducted. In Japan, two antibody-drug conjugates have been launched in the market and show a great therapeutic effect.

Assistant professor Miki Yamaguchi of Research Institute of Frontier Medicine, Sapporo Medical University School of Medicine, possesses antibodies by immunizing mice, which bind to molecules expressed only on the surface of cancer cells with an ability to enter cancer cells. GTS will sort out antibodies with superior ability in a recognition specificity and entering to cancer cells, and combine them to antibody-drug conjugates combining small molecule drugs or immunotoxin combining cytotoxic protein. GTS aims to develop anti-cancer drugs that show excellent therapeutic effects even by the single administration.

GTS will conduct this research and development based on the expertise of handling proteins accumulated in the past developments of biosimilar products and append this drug as a new pipeline in the new biologic business to secure new revenue sources in the future. Through the contribution to society by developing new anticancer drugs for rare and refractory cancers, we will accelerate to raise our enterprise value and aim to achieve GTS3.0 at an early stage.

2. Contents of this agreement

Joint development agreement for an anticancer drug using antibodies with an ability of entering cancer cells which Sapporo Medical University possesses.

3. Outline of counterparties to this agreement

1. Name	Sapporo Medical University
2. Location	South-1, West-17, Cyuo-ku, Sapporo, Japan
3. Chairperson and President	Taiji Tsukamoto
4. Department	Department of Molecular Medicine, Research Institute for Frontier Medicine, Sapporo University School of Medicine

4. Future outlook

The impact on the business results for the fiscal year ending March 2020 is expected to be minimal.

About Gene Techno Science Co., Ltd.

GTS announced GTS 3.0 “Biotech Engineering Company, striving for value creation” a new business stage starting from this fiscal year, which targeted the pediatric disease in addition to the areas GTS has been engaged in such as the orphan disease and intractable disease. By leveraging the knowhow and expertise about biotechnology acquired in the past business activities, GTS is working on the development and provision of new medicines and therapeutic treatment for the purpose of achieving comprehensive healthcare solutions for the patients suffering from these diseases as well as families and caregivers.

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