

March 5, 2020 Gene Techno Science Co., Ltd. Code: 4584 (TSE Mothers) Masaharu Tani, President & CEO

Announcement of Joint Research Agreement with Oita University for Peripheral Nerve Paralysis

Tokyo, March 5, 2020 – Gene Techno Science Co., Ltd. ("GTS") executed a joint research agreement ("this agreement") with Oita University for a development of new therapy for peripheral nerve paralysis.

1. Purpose of this agreement

Peripheral nerve paralysis is a motor and sensory dysfunction due to nerve damages in hands, limbs, or face caused by traffic accidents, tumor surgery, or autoimmune diseases. The current treatment aims to restore the nerve function by transplanting the patient's own nerve or artificial nerve conduits. The autologous nerve transplantation, however, may cause a complication of sustained numbness or pain in the area of donor nerve collection. The artificial nerve conduits can avoid such issues but their efficacy on nerve regeneration is limited. Under this situation, stem cell therapy has been expected as a new therapeutic option. In particular, stem cells from human exfoliated deciduous teeth ("SHED") have possibilities to overcome the challenges of current treatments with their excellent capability of nerve regeneration.

Department of Plastic Surgery in Oita University Hospital has a wealth of surgery record in the nerve reconstruction for patients with peripheral nerve paralysis. In addition, it has strenuously advanced basic research on the nerve regeneration and achieved significant results. GTS and Oita University agreed on the potential utility of SHED for a new therapy of peripheral nerve paralysis, resulting in this joint research agreement.

2. Outline of counterparty to this agreement

1. Name	Oita University
2. Location	700 Dannoharu, Oita City

3. President	Seigo Kitano
4. Department	Plastic Surgery, Oita University Hospital

3. 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.

Contact:

Gene Techno Science Co., Ltd. Tel: +81-3-6222-9547 Mail: <u>info@g-gts.com</u>