Announcement of manufacturing of SHED Master Cell Bank
in compliance with US FDA Standards

Kidswell Bio Corporation (KWB) is pleased to announce that we have completed the manufacturing of a Master Cell Bank (MCB) for Stem cells from Human Exfoliated Deciduous teeth (SHED) in compliance with US Food and Drug Administration (FDA) standards, in anticipation of overseas expansion of our cell therapy business.

Based on the SHED Source Supply Service (S-Quatre®), a stable supply platform for SHED, KWB has developed an MCB for SHED in compliance with GCTP and GMP, the safety and quality standards for pharmaceutical products set in Japan, in August 2022. As a first step toward overseas business development, we completed the MCB of SHED for use in Japan and the US by obtaining deciduous teeth from donors in a manner that meets the standards of both Japan and the US and manufacturing them under GMP standards. This is because the regulations for obtaining raw materials for cellular medicines are not uniform from country to country, and in particular, there are differences between Japanese and US FDA regulations regarding the eligibility requirements for donors of deciduous teeth. KWB will continue to work on the MCB so that it can be used in countries outside the US, including Europe.
KWB will promote SHED research and development activities with the goal of commercializing the world's first SHED cell and gene therapy products in Japan and overseas.

As announced in the "Announcement of establishment of a subsidiary in the cell therapy business (regenerative medicine) through a company split (simplified incorporation-type company split)" dated January 12, 2024, the cell therapy business currently promoted by KWB will be promoted by S-Quatre Corporation, which will be newly established as a wholly owned subsidiary of KWB after April 1, 2024.

The impact of this matter on KWB's business and financial position is expected to be minimal.