

Agreement on Joint Research into SB623 for Indication of Retinal Disease

Tokyo—September 20, 2019— The SanBio Group (SanBio Co., Ltd. and SanBio, Inc.), a scientific leader in regenerative medicine for neurological disorders, announced that it has reached an agreement with National University Corporation Asahikawa Medical University on joint development of SB623 for the indication of retinal disease.

Retinal diseases, such as age-related macular degeneration and retinitis pigmentosa, are serious conditions that can lead to loss of visual function. Age-related macular degeneration is a disease that causes malfunction of the macula at the center of the retina because of age, and a patient with this disease may suffer from blurred vision¹. It is the leading cause of vision loss in the US and Europe. The incidence of age-related macular degeneration also has risen sharply in Japan, in a reflection of the aging population and increasing Westernization of Japanese lifestyles. In 2011, it was estimated that 690,000 people in Japan were suffering from age-related macular degeneration². Retinitis pigmentosa is a genetic condition that causes cells in the light-sensitive retina at the back of the eye to degenerate. It can lead to night-blindness (difficulty seeing at night or in dimly lit areas), a narrowing field of vision, and other forms of failing vision. In Japan, the incidence of retinitis pigmentosa is estimated at 18.7 per 100,000 head of population³.

SanBio's proprietary regenerative cell medicine SB623 is made from modified and cultured adult bone marrow-derived mesenchymal stem cells that undergo temporary genetic modification. Implantation of SB623 cells into injured nerve tissue in the brain is expected to trigger the brain's natural regenerative ability to recover lost motor functions. SanBio has been conducting a global Phase 2 clinical trial of SB623 in Japan and the US, targeting chronic motor deficit resulting from traumatic brain injury (TBI). The Company received favorable results from the trial, as the primary endpoint was achieved, with patients who were administered SB623 demonstrating a statistically significant improvement in motor function compared to the control group.

Through this agreement with Asahikawa Medical University, SanBio aims to collect the data necessary to proceed to clinical trials in retinal disease, through use of the University's Department of Ophthalmology (chaired by Professor Yasuo Yanagi) to evaluate the efficacy and safety of SB623 in an animal model. Through collaboration of this kind, the SanBio Group seeks to develop SB623 as a treatment for the indication of retinal disease (including agerelated macular degeneration and retinitis pigmentosa).

Sources

- Age-related macular degeneration. Japanese Ophthalmological Society. http://www.nichigan.or.jp/public/disease/momaku_karei.jsp (Ref: September 20, 2019)
- Age-related macular degeneration. Japan Intractable Diseases Information Center. http://www.nanbyou.or.jp/entry/2434 (Ref: September 20, 2019)
- Retinitis pigmentosa. Japanese Ophthalmological Society. http://www.nichigan.or.jp/public/disease/momaku_shikiso.jsp (Ref: September 20, 2019)

About SanBio Group (SanBio Co., Ltd. and SanBio, Inc.)

SanBio Group is a regenerative medicine company with cell-based products focused on neurological disorders in various stages of research, development and clinical trials. The Company's lead asset, SB623, is currently being investigated for the treatment of several

conditions including chronic neurological motor deficit resulting from ischemic stroke and traumatic brain injury. SanBio has received a Japanese marketing license for regenerative medicine products from the Tokyo Metropolitan Government, and plans to begin marketing regenerative medicine products in Japan by the end of the fiscal year ending January 31, 2021. The Company is headquartered in Tokyo, Japan and Mountain View, California, and additional information about SanBio Group is available at https://sanbio.com.

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