

## **Bio Palette Raises \$9.5M in Series A Financing to Accelerate Development of Microbiome Therapeutics**

### **Kobe City, Japan -September 24, 2020-**

Bio Palette Co., Ltd (Head Office: Nada-ku, Kobe City, Representative Director: Dr. Shoko Murase) is pleased to announce that it has raised 1 billion yen (approx. \$9.5M) in series A financing through a third-party allotment of new shares underwritten by JAFCO Co., Ltd. (Head Office: Minato-ku, Tokyo, President & CEO: Mr. Shinichi Fuki).

This financing follows the company's seed financing of 550 million yen (approx. \$5.2M) in total conducted from 2017 to 2018 with Eight Roads Ventures Japan, F-Prime Capital Partners, and ARCH Venture Partners as the underwriters. The total amount of funds raised to date is 1.55 billion yen (approx. \$14.7M).

The Company's core technology is a base editing technology (genome editing technology) that is a further development of CRISPR/Cas9, which enables single nucleotide conversion without DNA double-strand break, resulting in more accurate and precise editing, application to a wider variety of cells, and more efficient breeding compared to conventional genome editing technologies.

There are only two groups in the world, Kobe University and Harvard University, hold the basic patents for this technology, and we received an exclusive license from Kobe University. Last year, we also signed an exclusive cross-licensing agreement with BEAM Therapeutics, Inc. (Nasdaq: BEAM), which holds an exclusive license from Harvard University to use this technology in the field of human therapeutics.

We are applying this proprietary base editing technology to the breeding and modification of microorganisms that make up the microbiome, and focus on the development of innovative microbiome therapeutics that use gene-edited, optimized bacteria as "living medicine". To be the world's leading company in the field of microbiome therapeutics through "Microbiome x Genome Editing", we have decided to focus on the oral and skin microbiome as our current strategic areas.

For example, many researchers reported that disruptions in the oral microbiome are associated with various diseases, and this has been recognized as one of the major issues that need to be addressed, especially in an aging society. Currently, we are collaborating with universities and other research institutions with strengths in these fields to conduct proof-of-concept (POC) studies with the aim of achieving early commercialization of innovative therapeutics. At the same time, we have been discussing the possibility of conducting joint research with some development partners and companies that are potential licensees, and we will continue to prepare for the path to clinical trials.

In the mid-to-long term, gut microbiome is one of the options for our R&D targets in addition to the oral and skin microbiome.

The funds will be used primarily for various R&D activities for the new therapeutic modality of microbiome therapeutics, as well as to increase the number of staff in the R&D department and to expand our research capabilities. Currently, our research facility called Kobe R&D Center is located at Kobe Medical Innovation Center (KCMI) within the Kobe Biomedical Innovation Cluster, known as an international R&D center for advanced medical technologies centered on the Port Island of Kobe. In October 2020, our Kobe R&D Center will be expanded and relocated to Creative Lab for Innovation in Kobe (CLIK), a newly built building adjacent to KCMI. At CLIK, we will secure approx. 400 square meters of space and advanced facilities for genome editing and microbiome research to further accelerate our R&D activities with the aim of realizing the world's first therapeutics.

#### <About JAFCO>

Company name: JAFCO Co., Ltd. (listed on the first section of the Tokyo Stock Exchange)  
Head Office: Toranomon Hills Mori Tower 24F, 1-23-1 Toranomon, Minato-ku, Tokyo  
Establishment: April 1973  
President & CEO: Shinichi Fuki  
Paid-in Capital: 33,251,673,571 yen  
URL: <http://www.jafco.co.jp/>

#### <About Creative Lab for Innovation in Kobe>

Name: Creative Lab for Innovation in Kobe (CLIK)  
Location: 6-3-7 Minatojima-minamimachi, Chuo-ku, Kobe  
Site Area: Approx. 5,066 square meters  
Total floor space: Approx. 12,268 square meters  
Building structure: Steel construction, 6 floors above ground  
URL: <http://www.kups.jp/clik/index.html>

For more information, please contact us at:

Bio Palette Co., Ltd.

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