



June 30, 2020

To whom it may concern:

Company name: ANAP INC.
Representative: Toshiyasu Yataka,
President & Representative Director
(Code No. 3189/JASDAQ)
Contact: Yousuke Toyota, Executive Officer,
General Manager of Corporate Planning
Department
Phone: +81-3-5772-2717

Notice Regarding Business Partnership by ANAP's Subsidiary

ANAP INC. (hereinafter the "Company") hereby announces that its subsidiary ANAP LAB Inc. (hereinafter, "ANAP Lab"; Head Office: Minato-ku, Tokyo; Representative Director: Toshiyasu Yataka), at the board of directors' meeting held on June 30, 2020, resolved to enter into a business partnership agreement with AS Medical Support Inc. (hereinafter, "AS Medical Support"; Head Office: Fukuoka City, Fukuoka Prefecture; Representative Director: Shintaro Arao) relating to autologous adipose-derived stem cell banking business and research and development for autologous adipose-derived stem cell treatment, and ANAP Lab executed the said agreement on the same day. The details are described below.

1. Purpose of the business partnership agreement

ANAP Lab has been traditionally engaged in systems development and other businesses utilizing its AI technologies with a focus on the fashion industry. However, amid the recent turmoil caused by the exponential spread of the novel coronavirus (COVID-19), it has been considering the possibility of utilizing its AI technologies in the area of regenerative medicine as well, in order to respond to the changing times. Utilizing ANAP Lab's AI technologies, this business partnership with AS Medical Support seeks to optimize the autologous adipose-derived stem cell banking business and to conduct joint research and development for the treatment of acute respiratory distress syndrome (ARDS) caused by COVID-19 using autologous adipose-derived stem cells. Furthermore, as stem cell therapy is considered effective for acute stage diseases, ANAP Lab will conduct research and development related to cerebral infarction and spinal cord injury as well.

2. Outline of the business partnership

- (1) Joint business relating to the autologous adipose-derived stem cell banking service
- (2) Joint research and development for the treatment of acute respiratory distress syndrome (ARDS) caused by COVID-19 using autologous adipose-derived stem cells

3. Brief description of the subsidiary

(1) Name	ANAP LAB Inc.
(2) Location	1-16-11 Jingumae, Shibuya-ku, Tokyo
(3) Title and name of the representative	Toshiyasu Yataka, Representative Director
(4) Business content	<ul style="list-style-type: none">• Development and sale of systems applying a range of AI technologies; e-commerce general consulting business; e-commerce general operation service business; systems development business; and cultivation, freeze processing, and storage of stem cells
(5) Capital	30 million yen

4. Brief description of the partnering company

(1) Name	AS Medical Support Inc.												
(2) Location	2-1-1 Toyohama, Nishi-ku, Fukuoka-shi, Fukuoka Prefecture												
(3) Title and name of the representative	Shintaro Arao, Representative Director												
(4) Business content	<ul style="list-style-type: none">• Regenerative medicine-related consulting service; operation of cultivation and processing facilities; operation of a veterinary hospital specializing in regenerative medicine; and development of regenerative medicine-related products												
(5) Capital	9 million yen												
(6) Date of establishment	January 23, 2017												
(7) Major shareholders and their shareholding ratio	<table><tr><td>Shintaro Arao</td><td>16.6%</td></tr><tr><td>Kenji Terasaki</td><td>10.0%</td></tr><tr><td>Nobuhiro Fuji</td><td>10.0%</td></tr><tr><td>Takanori Kouzuki</td><td>10.0%</td></tr><tr><td>Nami Oyama</td><td>10.0%</td></tr><tr><td>Kimiko Nagao</td><td>10.0%</td></tr></table>	Shintaro Arao	16.6%	Kenji Terasaki	10.0%	Nobuhiro Fuji	10.0%	Takanori Kouzuki	10.0%	Nami Oyama	10.0%	Kimiko Nagao	10.0%
Shintaro Arao	16.6%												
Kenji Terasaki	10.0%												
Nobuhiro Fuji	10.0%												
Takanori Kouzuki	10.0%												
Nami Oyama	10.0%												
Kimiko Nagao	10.0%												

(8) Relationship between the listed company and the partnering company	Capital relationship	Not applicable
	Personnel relationship	Although there is no personnel relationship that needs to be stated between the Company and the partnering company, Nobuhiro Fuji, a director of the partnering company, is concurrently serving as a director of ANAP LAB Inc., a subsidiary of the Company.
	Business relationship	Not applicable
	Related party status	Not applicable
(9) Business performance and financial status of the partnering company over the past year		
Fiscal term	Fiscal year ended December 2019	
Net assets	37 million yen	
Total assets	268 million yen	
Net assets per share	63,170.60 yen	
Net sales	301 million yen	
Operating profit	29 million yen	
Ordinary profit	24 million yen	
Net income	5 million yen	
Net income per share	8,844.99 yen	
Dividend per share	—	

5. Future outlook

The impact of this partnership on the Company's consolidated performance is currently under close examination. The Company will promptly disclose the amount of the impact as soon as it is determined.

6. For inquiries about this partnership, please contact the person in charge below:

Fuji, ANAP LAB Inc. at <fuji@anaplab.com>