



December 14, 2023

Company name: SanBio Co., Ltd.
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and President
(TSE Growth Code: 4592)
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**Notice Regarding the Transfer of Non-Current Assets of Consolidated Subsidiary
and Recording of Extraordinary Gain**

SanBio Co., Ltd. (the “Company”) hereby announces the recording of extraordinary gain in relation to the transfer of non-current assets of a consolidated subsidiary.

1. Overview of consolidated subsidiary

- | | |
|-------------------|--------------------------------------------------------|
| (1) Name | SanBio, Inc. |
| (2) Address | California, USA |
| (3) Main business | Regenerative cell business using allogeneic stem cells |

2. Reason for transfer

In order to liquidate the equipment and other assets of the US office of SanBio, Inc. due to restructuring of the subsidiary, the Company has decided to transfer some of the subsidiary’s assets.

3. Details of assets to be transferred and gain on transfer (for the portion transferred in the first nine months of the fiscal year ending January 2024)

- | | |
|----------------------|--------------------------|
| (1) Assets | R&D equipment and others |
| (2) Transfer price | 26 million yen |
| (3) Book value | 0 yen |
| (4) Gain on transfer | 26 million yen |

4. Overview of the transferee(s)

The transferees are several overseas corporations, but due to an agreement with the transferees, the Company will not disclose their identity. No capital, personal, or business relationship exists between the Company and the transferees that need to be reported, and the transferees are not related parties of the Company.

5. Schedule

- | | |
|------------------------|----------------------------------|
| (1) Date of resolution | September 11, 2023 |
| (2) Date of transfer | Anytime after September 14, 2023 |

6. Outlook

As a result of the transfer, the Company recorded gain on sale of non-current assets as extraordinary gain in the first nine months of the fiscal year ending January 31, 2024, but this has only a marginal impact on the consolidated earnings forecast for the fiscal year. Regarding the details, please see the Consolidated Financial Results for the Nine Months Ended October 31, 2023 [Japanese GAAP] released on the date of this notice.