News Release

Notice of Capital Increase through Third-Party Allotment (Series C-1 Financing)

KOBE, Japan, December 9, 2022 - Synplogen Co., Ltd. (Head Office: Nada-ku, Kobe; President and CEO: Kazuhiko Yamamoto; hereinafter referred to as "Synplogen"), a biotech startup spun out of Kobe University, announces that it has raised about 540 million yen in Series C-1 financing through a third-party allotment of new shares to Mizuho Bank, Ltd. (Head Office: Chiyoda-ku, Tokyo; President & CEO: Katsuhiko Kato) as a lead investor, with Jafco Group Co., Ltd. (Head office: Minato-ku, Tokyo; President: Keisuke Miyoshi), Reifycs Analytical Inc. (Head office: Kita-ku, Osaka; Representative Director: Shinichi Nabekura), and KISCO Ltd. (Head office: Chuo-ku, Osaka; President: Takekazu Kishimoto) as underwriters.

Mizuho Bank, Ltd. established an equity line of credit in April 2022 for its own account to fund initiatives for technology and business model development in areas that will contribute to the realization of carbon neutrality by 2050. This is the first investment using this facility.

This financing follows the financing of approximately 670 million yen in November and December 2021 (Series B financing), and is the first half of the Series C financing plan, which includes the Series C-2 financing scheduled for next February 2023.

Synplogen provides design, development, and analysis services for high-quality, cost-effective viral vectors for gene therapy (Gene Therapy Biofoundry Services), utilizing its proprietary ultra-long DNA synthesis technology. At its Kobe R&D Center, Synplogen can offer a wide range of services to meet customer needs, including DNA synthesis, plasmid DNA mass preparation, viral vector production, process development, characterization and quality testing, and support for technology transfer to GMP-compliant manufacturing facilities.

In addition, as separately announced in a press release today, Synplogen has concluded MOUs with MicroBiopharm Japan Co., Ltd. and Merck for GMP production of plasmid DNA and GMP production of viral vectors, respectively, making it possible to provide customers with integrated services that cover the entire manufacturing process up to GMP production.

The funds raised this time will be effectively used for capital investment in cutting-edge research equipment and increase in R&D staff, etc., to further expand (1) ultra-long and complex DNA synthesis services and (2) DNA library construction services for various combinations, utilizing our proprietary DNA synthesis technology (OGAB® method). At the same time, Synplogen will apply its technologies to the design and development of viral vectors for gene therapy and the process development, thereby contributing to the development of gene therapy products and the establishment of manufacturing platform.

About Synplogen

Synplogen Co., Ltd. is a synthetic biology startup company founded in 2017 and originated from Kobe University. Utilizing its proprietary DNA synthesis technologies "OGAB® method" and "Combi-OGAB™ method", the company is capable of synthesizing ultra-long and complex DNA and constructing DNA libraries with various combinations. We also provide one-stop solutions for the design, development, and analysis of high-quality, cost-effective viral vectors for gene therapy at our Kobe R&D Center, as a biofoundry specializing in gene therapy.

Head Office:	1-1 Rokkodai-cho Nada-ku, Kobe Japan
Established:	February 2017
Representative:	Kazuhiko Yamamoto, President and CEO
Capital:	2,325.68 million yen (including capital reserve)
Business:	Custom DNA synthesis and biofoundry services for gene therapy
URL:	https://www.synplogen.com/

About Mizuho Bank, Ltd.

Head Office:	Otemachi Tower, 5-5, Otemachi 1-chome, Chiyoda-ku, Tokyo
Established:	July 2013
Representative:	Katsuhiko Kato, President & CEO
Capital:	1,404.0 billion yen (as of March 31, 2022)
Business:	Banking business
URL:	https://www.mizuhobank.co.jp/corporate/index.html

About JAFCO Group Co., Ltd.

Head Office:	Toranomon Hills Mori Tower 24F, 1-23-1 Toranomon, Minato-ku, Tokyo
Established:	April 1973
Representative:	Keisuke Miyoshi, President (Representative Director)
Capital:	33,251 million yen
Business:	Investment in unlisted companies, management and operation of investment partnerships
URL:	https://www.jafco.co.jp/

About Reifycs Analytical Inc.

Head Office:	9F Wakasugi Building, 1-18-18 Nakatsu, Kita-ku, Osaka
Established:	November 2011
Representative:	Shinichi Nabekura, Representative Director
Capital:	9.8 million yen

Business: Sales of information systems in biotechnology, planning and sales of information systems and services in diagnostics and medicine, and sales of scientific instruments

URL: https://www.reifycsant.com/

About KISCO Ltd.

Head Office: 3-3-7 Fushimi-cho, Chuo-ku, Osaka

Established: 1921

Representative: Takekazu Kishimoto, President

Capital: 600 million yen

Business: Trading company

URL: https://www.kisco-net.co.jp/index.php

About MicroBiopharm Japan Co., Ltd.

Head Office: 1-3-1 Kyobashi, Chuo-ku, Tokyo

Established: July 2011

Representative: Atsushi Shiota, President and CEO

Capital: 10 million yen

Business: Manufacture of drug substances, food, feed, and agrochemical products using microbial fermentation and microbial conversion

URL: https://www.microbiopharm.com/index.html

About Merck

Merck, a leading science and technology company, operates across life science, healthcare and electronics. More than 60,000 employees work to make a positive difference to millions of people's lives every day by creating more joyful and sustainable ways to live. From providing products and services that accelerate drug development and manufacturing as well as discovering unique ways to treat the most challenging diseases to enabling the intelligence of devices – the company is everywhere. In 2021, Merck generated sales of € 19.7 billion in 66 countries. https://www.merckgroup.com/en

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