To Whom It May Concern

Date: July 15th, 2025

Company Name: StemCell Institute Inc.
Representative: President Takafumi Shimizu

(Code Number: 7096; Tokyo Stock Exchange Growth)
Inquiries: Global Business Development Office/Daria Potapova
TEL. 03-6811-3235; dpotapova@stemcell.co.jp

Notice Regarding the Conclusion of a Joint Venture Agreement with the Family Office of the Founding Family of One of Indonesia's Largest Conglomerates for the Expansion of the Cell Banking Business in the Southeast Asia Region

We, StemCell Institute Inc., hereby announce that at the Board of Directors meeting held on July 15, 2025, our company resolved to enter into a joint venture agreement with BIG RAINBOW INVESTMENT PTE. LTD. (hereinafter referred to as "the Company"), the family office of the founding family of Sinar Mas Group, one of Indonesia's largest conglomerates, for the purpose of expanding the cell banking business in the Southeast Asia region.

1. Reason for Entering into the Joint Venture Agreement

Since our founding in 1999, we have provided cell storage services using cord blood and perinatal tissue for 26 years. As the leading company in Japan with approximately 99% market share, we aim to leverage our accumulated expertise and business foundation to expand into the rapidly growing Southeast Asian market. The region presents a substantial potential, with around 10 million births annually—significantly larger than Japan's approximately 680,000 births per year. In Singapore, private cord blood banking began around 2000. Despite a high storage fee of approximately SGD 7,000 for 21 years—much higher than in Japan—the storage rate is about 20% of the roughly 30,000 annual births, resulting in around 6,000 stored units per year. This indicates a market size equivalent to or even larger than Japan's. Furthermore, interest in such services is growing in neighboring countries, and we believe now is a favorable time for expanding our business into the Southeast Asia region. With this goal in mind, we have long considered strategic partnerships and have built a strong relationship over the years with Sinar Mas Group, one of Indonesia's largest conglomerates. Through ongoing discussions, we have explored our shared business vision, expansion strategies, and complementary strengths in the region.

As a result, we have concluded a joint venture agreement with the Company, the family office of the founding family of the Sinar Mas Group. Under this agreement, we will promote our Southeast Asia business through STEMCELL INNOVATIONS PTE. LTD., our Singapore subsidiary established in November 2024, which will serve as the joint venture entity. This partnership allows us to not only accelerate development in Singapore but also consider early-stage business expansion into neighboring countries, including Indonesia. By combining the operational expertise and quality control systems we have developed in Japan—along with the trust associated with the "Japanese brand"—with the local networks and relationships of our partner, we aim to strengthen our presence and achieve sustainable growth in the Southeast Asian market.

※ Sinar Mas Group

Founded in 1938, Sinar Mas Group is one of Indonesia's largest conglomerates. Headquartered in Indonesia, the group operates across seven sectors: pulp and paper, agriculture, financial services, real estate, telecommunications, energy, and healthcare. It possesses a broad global network and significant influence.

2. Overview of the Joint Venture Agreement

(1) Details of the Joint Venture Agreement

- We will jointly increase the capital of STEMCELL INNOVATIONS PTE. LTD our Singapore-based 100% subsidiary established in November 2024, with a 50/50 ownership ratio, thereby converting it into a joint venture company. Through this entity, we will develop the cell banking business in the Southeast Asian market.
- The core of this business will be the storage of umbilical cord and cord blood collected at the time of birth. In the future, we also plan to explore opportunities for expansion into related regenerative medicine services, such as oocyte storage and in collaboration with local medical institutions, and other relevant services.

(2) Overview of the Joint Venture Company

(1)	Name	STEMCELL INNOVATIONS PTE. LTD.
(2)	Location	1 ROBINSON ROAD #17-00 AIA TOWER SINGAPORE 048542
(3)	Title and name of representative	Managing Director Takafumi Shimizu
(4)	Business Activities	Cell banking business in the Southeast Asia region
(5)	Capital Stock (As of 1st July 2025)	SGD 300,000 (Fully funded by StemCell Institute Inc.) ※Planned amount of capital increase ・StemCell Institute Inc.: SGD 3,200,000 ・BIG RAINBOW INVESTMENT PTE. LTD. : SGD 3,500,000 Total capital SGD 7,000,000
(6)	Establishment Date	November 19th, 2024
(7)	Fiscal year-end	December 31st
(8)	Net Assets (As of 31st December 2024)	SGD 300,000
(9)	Total Assets (As of 31st December 2024)	SGD 300,000
(10)	Shareholding ratio	StemCell Institute Inc.: 50%, BIG RAINBOW INVESTMENT PTE. LTD. : 50%

(3) Outlook for the Joint Venture's Business Performance

The fiscal year 2025 is positioned as an investment phase focused on infrastructure development and organizational setup. Looking ahead, the company aims to build a business foundation comparable in scale to that of the Japanese market, while gradually expanding services and moving toward profitability. Of the total capital, approximately SGD 4,000,000 is allocated for capital investments such as CPC facility construction, and around SGD 3,000,000 will be used as working capital.

3. Overview of the Joint Venture Partner

(1)	Name	BIG RAINBOW INVESTMENT PTE. LTD.	
(2)	Location	8 Temasek Boulevard, #43-01, Suntec Tower Three, Singapore 038988	
(3)	Title and name of representative	Director Ivena Widjaja	
(4)	Business Activities	Investment Business (including Fund Management)	
(5)	Capital Stock	USD 5,010,001	
(6)	Establishment Date	March 8th, 2019	
(7)	Major Shareholders/Shareholding Ratios	BIG RAINBOW PTE. LTD. 100%	
(8)	Relationship between the listed company and the subject company	Capital relationship	An investment relationship will be established with the joint venture company.
		Personnel relationship	One executive will be appointed as a director of the joint venture company.

	Business relationship	Under this agreement, the parties will invest and manage the business jointly.
	Status of Applicability to Related Parties	No relevant matters apply.

※ We have not obtained the consolidated financial results and financial position data of the company for the past three years.

4. Schedule

(1)	Date of Board resolution	July 15th, 2025
(2)	Effective date of the contract	July 15th, 2025
(3)	Date of capital injection	August 15th, 2025 (plan)
(4)	Date of commencement of business	March, 2026 (plan)

5. Outlook

The initial investments and costs related to organizational setup associated with this agreement have already been factored into our earnings forecast for the fiscal year ending March 2026, and no revision to the earnings forecast due to this agreement is planned. Furthermore, the joint venture company, STEMCELL INNOVATIONS PTE. LTD., will become a consolidated subsidiary of our company after execution of the joint venture agreement. Should any significant matters arise regarding the timing of consolidation or other disclosures, we will promptly notify.