

OncoTherapy Science, Inc.

May 15, 2023

### Announcement regarding Research Progress on New Compounds

OncoTherapy Science, Inc. (OTS) hereby announces that as previously announced in the "Announcement of research for new compounds" on October 31, 2022, OTS discovered multiple compounds in our compound library that strongly inhibit target kinase, which was reported in a paper as a promising therapeutic target involved in a new mechanism of action for organ fibrosis. We have been conducting research to obtain the reproducibility of the reported paper.

This time, we have confirmed through drug efficacy evaluations using cultured cells that multiple compounds of our company inhibit the pathogenesis mechanism of organ fibrosis, as reported in the paper.

In the research for drug discovery, promising compounds are mainly selected through 3 stages of evaluation, such as, evaluation using enzymes, cell-based evaluation, and evaluation in the animal model. Our evaluation has been completed up to the second stage, and the research is going well as originally planned. Currently, we are preparing the third stage of evaluation (drug efficacy evaluation in the animal model), and the results are scheduled to be obtained within this fiscal year.

If the drug efficacy is confirmed in the animal model, we will further select compounds for pre-clinical and clinical studies. However, because of limited development knowhow in organ fibrosis, we are not considering independent development but aiming to the out-licensing activities.

Moreover, we have our own compound library and accompanying data that have been accumulated through drug discovery research. In addition to this case, there are several other compounds that can exhibit strong inhibitory activity against possible therapeutic targets for diseases other than cancer. Therefore, we will also consider how to utilize these useful compounds, for example through joint research, and etc.