

October 2, 2017

Press Release

Yoshindo Inc.

YL Biologics Ltd.

**Execution of Technology Transfer Agreement and
Development Support Agreement for Development and Commercialization of
a Biosimilar Product of Darbepoetin alfa**

Yoshindo Inc. (Head Office: Toyama, Japan, President: Hiroki Kitamura) (Yoshindo) and YL Biologics Ltd. (Head Office: Chuo-ku, Tokyo, President: Toshihiko Hibino) (YLB) announced today that YLB has formed Technology Transfer Agreement and Development Support Agreement with CJ HealthCare Corporation (Seoul, Korea) for the development and commercialization of a biosimilar (BS) product (Code: CJ-40001) of Darbepoetin alfa, Long-acting Erythropoiesis Stimulating Agent (Original drug brand name: Nesp®, Manufactured and distributed by Kyowa Hakko Kirin Co., Ltd.) as of September 28, 2017.

Darbepoetin alfa (Genetic recombination) as a Long-acting Erythropoiesis Stimulating Agent is widely estimated its clinical efficacy and safety in chronic kidney disease (CDK) patients with anemia at both predialysis and dialysis stages. However, there are still problems such as high-cost medical expenses due to requiring long-term treatment with CDK anemia patients. Therefore, development of biosimilar products makes it possible to supply less expensive products to the medical field is strongly expected at the point of reducing the financial burden of medical insurance system.

YLB contracts manufacturing of active pharmaceutical ingredients of Nesp® BS with PanGen Biotech Inc. (Gyeonggi-do, Korea) which has superior technologies and know-how on the BS manufacturing, and formulation and products manufacturing of it will be performed by AY Pharmaceuticals Co., Ltd., a wholly owned subsidiary of Yoshindo. Yoshindo expects to further strengthen its sales activities in the field of dialysis, specialty field of Yoshindo, through the introduction of Nesp® BS to its product pipeline.

Yoshindo and YLB will globally focus on biosimilar products which show high medical needs. They will efficiently develop biosimilar products using their large stock of know-how in biologics, and expect to provide biosimilar products to not only a domestic but also a global market with high quality and reliability as well as contribute to medical economy.

For further information, please contact to

YL Biologics Ltd.

Administrative Department

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About Yoshindo Inc.

Over the course of Yoshindo's long history started from 1929, it has made contributions to human health and social wellbeing through the manufacturing and sales of generic pharmaceutical products. At present, Yoshindo is advancing research and development into biopharmaceuticals and essential drugs for transfusion and dialysis. Yoshindo is building new technologies and know-how, with the aim of remaining an irreplaceable pharmaceutical company for Japan moving into the future.

About YL Biologics Ltd.

YL Biologics is a joint venture company founded by Yoshindo and Lupin Ltd. in 2014, which focuses on clinical development, NDA filing and PMDA approval, and sales and marketing of biosimilar drugs in Japan. Through providing its drugs to medical field, YL Biologics is committed to contribute to the society and people by cutting medical spending and reducing financial burden of patients.