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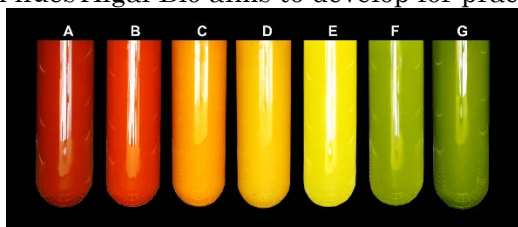
Investment in Algal Bio Co. Ltd.

Japan Material Technologies Corporation (JMTC; Head office: Chuo-ku, Tokyo; CEO: Koyu Urata) announced today that it has invested capital in algae bioventure Algal Bio Co., Ltd. (Algal Bio; Head office: Kashiwa City, Chiba Prefecture; CEO: Tsuyoshi Takeshita).

Venture company Algal Bio was established in March 2018, is working on establishing practical applications of technologies for producing rare fatty acids and carotenoids using algae such as *Chlorella* strains developed by President Takahashi and Mr. Shigeyuki Kawano, professor emeritus at the University of Tokyo, and others.

Carotenoids such as β -carotene, lutein, and astaxanthin are attracting attention for anti-aging and other functionalities, and the corresponding market is expanding, but these carotenoids are produced only by a small number of plants and microorganisms. They are expensive and supplies are limited. Mr. Takeshita and his associates—noting that algae in the family Trebouxiaceae, including *Chlorella*, are suitable for large-scale cultivation because they are easy to grow and they multiply quickly—have developed technology to produce rare fatty acids and carotenoids using algae such as *Chlorella*. This has raised the possibility of stable supplies of rare fatty acids and carotenoids with demonstrable functionality making contributions to public health. In addition, accumulated fatty acids and carotenoids differ by strain of *Chlorella* used, often exhibiting bright colors that may become useful as natural pigments.

< *Chlorella* of seven hues Algal Bio aims to develop for practical applications >



To date, JMTC has entered into alliances related to technology for organic acid production using fission yeast (with Asahi Glass Co., Ltd.) and for an inversion process that results in increased yields of sugar and ethanol from sugar cane (with Asahi Group Holdings, Ltd.) as part of plans to establish biochemicals business based on fermentation technologies. With this new investment, JMTC aims to deepen ties and collaboration with Algal Bio and to use its industry-wide network and expertise in commercialization to enhance Algal Bio's corporate value while exploring plans to create a biochemicals business based on microalgae.

As a fabless venture specializing in materials such as functional chemicals and biochemicals, Japan Material Technologies Corporation pursues commercialization of innovative technologies developed by Japanese companies, universities, and research institutions through licensing out and carve-out projects. It will continue to contribute to further innovation in the Japanese materials industry by collaborating with materials-related venture businesses, including through the injection of seed money.