Confidential

Financial Terms for Commercial Use of iPS Cell Stoc

As of August 28, 2025

CiRA Foundation
公益財団法人
京都大学iPS細胞研究財団

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Introduction

This document has been prepared as a reference to outline the key terms described in the collaborative research agreement and ownership transfer agreement related to the provision of iPS cell stock. It is intended to provide information to companies and research institutions considering the use of iPS cell stock (hereinafter referred to as "prospective users"), and the following points should be understood in advance.

Please note that the contents and fees described herein are based on the date of creation/update indicated on the cover and may be subject to change at the time of use or fee application. If you have any questions, please contact us via email at ips-stock-shinsa@cira-foundation.or.jp.

Prospective users must separately enter into a license agreement with iPS Academia Japan, Inc., which manages patents related to iPS cells owned by Kyoto University, for research or clinical purposes. For details on patents, please contact iPS Academia Japan directly. Additionally, information on third-party patents related to iPS cell stock will be provided by our foundation by the time of cell provision. Users are responsible for conducting infringement prevention investigations and taking appropriate measures in each country.

Fees for Vial Provision

		Non-profit organizations (universities and research institutions)	For-profit organizations (Pharmaceutical companies, startups, etc.)
HLA-homozygous iPS cell stock			
-Research-grade cell lines	:	Free of charge	¥50,000 per vial
-Clinical-grade cell lines	:	Free of charge	¥100,000 per vial
HLA genome-edited iPS cell stock			
-Research-grade cell lines		Free of charge	¥100,000 per vial
-Clinical-grade cell lines	:	Free of charge	¥200,000 per vial
Sendai virus iPS cell stock			
-Clinical-grade lines only	:	Free of charge	¥100,000 per vial

- ✓ If our foundation arranges cell transportation, both for-profit and non-profit organizations will be required to cover the actual transportation costs in addition to the vial provision fee mentioned above.
- ✓ If a product developed using the iPS cell stock is approved by regulatory authorities and launched in any country, a separate maintenance fee for the stock will be charged, as described in a separate slide.
- ✓ As the number of clinical-grade cell lines is limited, they are generally provided only to institutions that have prior experience in differentiation using the research-grade lines supplied by our foundation. However, for the Sendai virus iPS cell stock and the HLA genome-edited iPS cell stock, there are no research-grade lines expanded from each clinical-grade line. Therefore, the clinical-grade lines may be used from the initial stage.

Overview of Fee Structure

Development Stages	Basic Research	Non-clinical Testing	Clinical Trials	Applica-tion	Regulatory Approval	Market Launch

Contracts

Collaborative Research Agreement

Optional:
Ownership Transfer Agreement (with restrictions on third-party transfers)

Fees

Vial Provision Fee
(only at the time of iPS cell stock provision)

【Pattern 1】
Stock Maintenance Fee:*1

【Pattern 2】
Stock Maintenance Fee:*1

Optional: Ownership Transfer Agreement (with restrictions on third-party transfers)

*1：Stock Maintenance Fee: ¥100 million before regulatory application（Pattern1）,or Stock Maintenance Fee: 0.5% of net sales annually for 20 years post-launch（Pattern 2）。

*2：The ownership transfer agreement is not mandatory.
The ownership transfer fee is, in principle, a one-time payment of 50 million yen per management unit (brand).
For startup companies with fewer than 100 employees, the fee is 25 million yen per management unit (brand).
Please note that a cap is set on the number of management units. For details on management units, refer to page 9 and beyond.

Overview of Fee Structure

Development Stages	Basic Research	Non-clinical Testing	Clinical Trials	Applica-tion	Regulatory Approval	Market Launch

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Vial Provision Fee
(only at the time of iPS cell stock provision)

【Pattern 1】 **Stock Maintenance Fee:*1**

【Pattern 2】 **Stock Maintenance Fee:*1**

Optional: Ownership Transfer Fee*2

*1：Stock Maintenance Fee: ¥100 million before regulatory application（Pattern1）,or Stock Maintenance Fee: 0.5% of net sales annually for 20 years post-launch（Pattern 2）。

*2：The ownership transfer agreement is not mandatory.
The ownership transfer fee is, in principle, a one-time payment of 50 million yen per management unit (brand).
For startup companies with fewer than 100 employees, the fee is 25 million yen per management unit (brand).
Please note that a cap is set on the number of management units. For details on management units, refer to page 9 and beyond.

iPS AJ *3

Internal Research License: **Medical Use License**

Upfront

Milestone Payments

1 area	●Clinical Trial Notification	●Approval Application
2 areas	▲Clinical Trial Notification	▲Approval Application
3 areas	■Clinical Trial Notification	■Approval Application

★ Cumulative Sales Reaching ¥10 Billion

★ Cumulative Sales Reaching ¥50 Billion

Annual License Fee → **Annual Usage Fee (until regulatory approval)** → **Running Royalty / Minimum Annual Royalty**

*3：Users of iPS cell stock are required to separately enter into a license agreement with iPS Academia Japan, Inc., which manages patents related to iPS cells owned by Kyoto University, for research or clinical purposes.
Although standard payment terms have been quoted above, they may vary depending on the region of implementation and the scope of the patents.
For further details, please contact iPS Academia Japan directly.

About the Stock Maintenance Fee

As Stated in Article 24 of the Collaborative Research Agreement

■ What is the “Stock Maintenance Fee”?

Users of iPS cell stock are required to pay a “Stock Maintenance Fee” as **compensation for commercial use** when conducting research, development, manufacturing, and sales of regenerative medicine products using the iPS cell stock provided by our foundation.

This applies not only when the iPS cell stock is used as raw material for the product, but also when it is used to obtain regulatory approval. In particular, the latter includes cases where clinical trial data is obtained using products derived from the iPS cell stock.

Users must make payments according to the following conditions(*1)for each management unit (*2). The maximum number of chargeable management units is three; no payment obligation applies from the fourth unit onward.

*1 Payment Conditions: Either a lump-sum payment of ¥100 million before submitting the regulatory approval application, or 0.5% of the product’s annual net sales for 20 years after market launch (paid annually in arrears).
*2 Management Unit: A group of products with the same clinical positioning, such as those sold under the same brand name. This includes cases where the product name differs due to joint or overseas development.

About the Stock Maintenance Fee

As Stated in Article 24 of the Collaborative Research Agreement

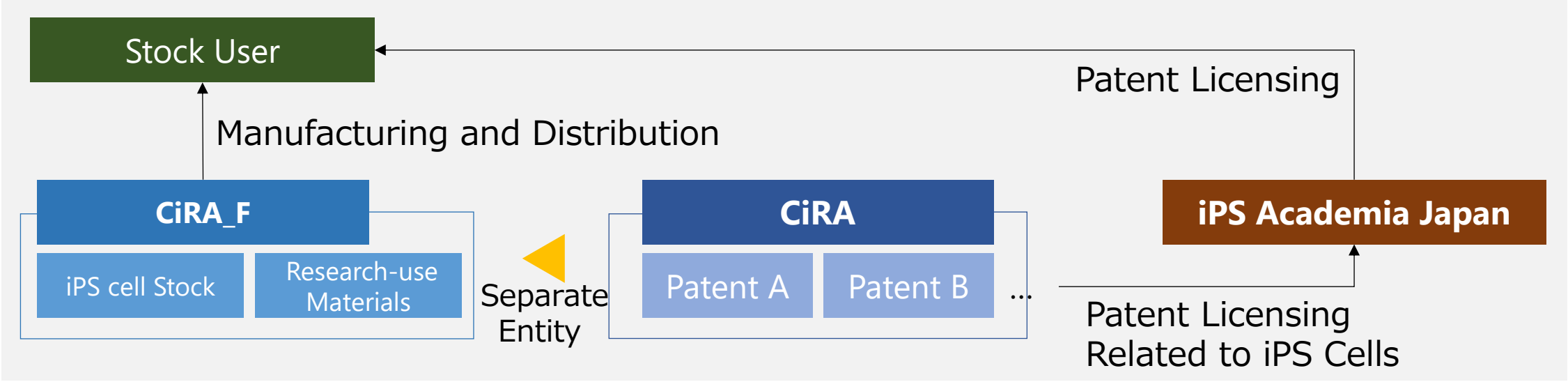
■ Is the Stock Maintenance Fee Different from Patent Licensing?

Yes, it is different.

The “Stock Maintenance Fee” is a compensation for commercial use of the iPS cell stock established by our foundation, and is allocated to cover costs such as quality evaluation and donor informed consent (IC) management.

Regarding patent rights, please contact iPS Academia Japan Co., Ltd. for patents held by Kyoto University. Details of their licensing program are available on their website, so please refer to it for further information.

In addition, users may need to separately obtain licenses for patents held by other rights holders, depending on the circumstances.

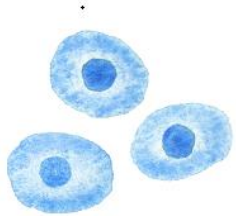


About the Stock Maintenance Fee

As Stated in the Collaborative Research Agreement

■ How is it handled when the products under development are not a single product but multiple products?

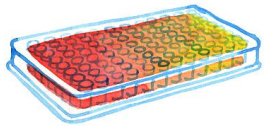
The Stock Maintenance Fee is charged based on “management units,” which refer to groups of products with the same clinical positioning, such as those sold under the same brand name. Therefore, when multiple products are developed, the fee is applied to each management unit individually.
However, no Stock Maintenance Fee will be charged **for the fourth management unit and beyond**.



Management Unit ①
Fee 0.5%/ y

Management Unit③
Fee 0.5%/ y

Management Unit ②
Fee 0.5%/ y



Management Unit ④
~~**Fee 0.5%/ y**~~
FREE

Interpretation of “Management Unit”

■ Interpretation of “Management Unit” – Considered Different Units

1. When different products are developed from the same iPS cell stock

	At Initial Approval	At Second Approval
Product Name	I-PS Intravenous Infusion	Ci-RAF
Differentiated Cell	T cell	Epidermal cell
Source Cell	iPS cell Stock	iPS cell Stock
Manufacturing Method	Manufactured at Site A using Method A	Manufactured at Site B using Method B
Indication / Effect	Acute lymphoblastic leukemia	Severe burns

2. When the product is physically identical but has a completely different clinical positioning or dosage/use

	At Initial Approval	At Second Approval
Product Name	I-PS Intravenous Infusion	Zydan Intravenous Infusion
Differentiated Cell	T cell	T cell
Source Cell	iPS cell Stock	iPS cell Stock
Manufacturing Method	Manufactured at Site A using Method A	Manufactured at Site A using Method A
Indication / Effect	Acute lymphoblastic leukemia	COVID-19 infection

Interpretation of “Management Unit”

■ Interpretation of “Management Unit” – Considered Same Units

1. In cases where a change in formulation leads to a new regulatory approval rather than a partial amendment, but the brand name remains unchanged and the clinical positioning is considered the same

	At Initial Approval	At Second Approval
Product Name	I-PS Intravenous Infusion	I-PS Intramuscular Injection
Differentiated Cell	T cell	T cell
Source Cell	iPS cell Stock	iPS cell Stock
Manufacturing Method	Manufactured at Site A using Method A	Manufactured at Site A using Method A (only formulation process differs)
Indication / Effect	Acute lymphoblastic leukemia	Acute lymphoblastic leukemia

2. In cases of a simple addition of therapeutic indications

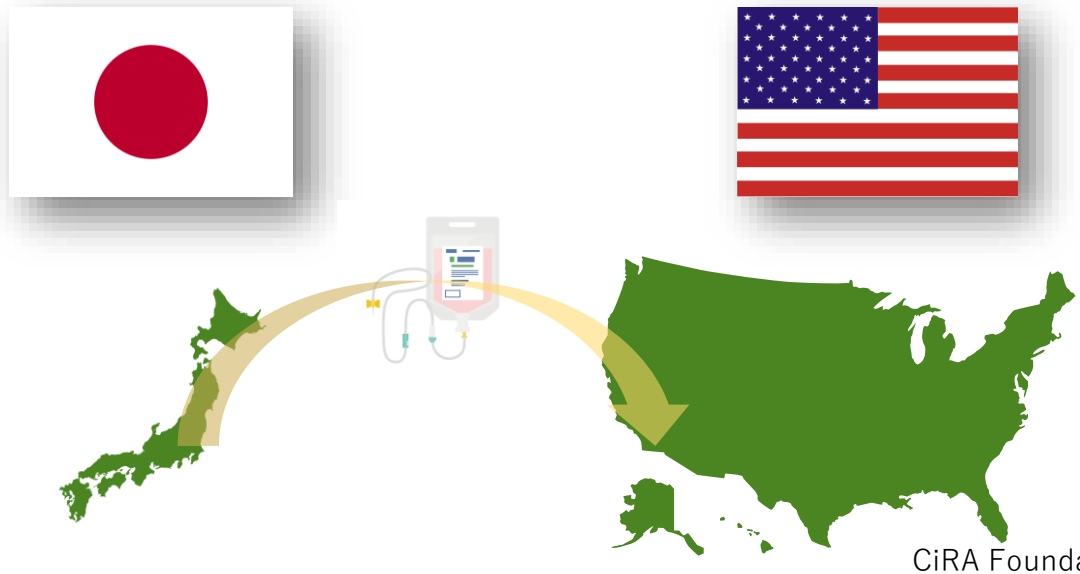
	At Initial Approval	At Second Approval
Product Name	I-PS Intravenous Infusion	I-PS Intravenous Infusion
Differentiated Cell	T cell	T cell
Source Cell	iPS cell Stock	iPS cell Stock
Manufacturing Method	Manufactured at Site A using Method A	Manufactured at Site A using Method A
Indication / Effect	Acute lymphoblastic leukemia	Acute lymphoblastic leukemia Large cell lymphoma

Interpretation of “Management Unit” – Handling of Overseas Products

■ Interpretation of “Management Unit” – Considered Same Units

3. In cases of similar brand names where the manufacturing method and therapeutic indication are consistent

	At Initial Approval	At Second Approval
Product Name	I-PS Intravenous Infusion	ipies
Differentiated Cell	T cell	T cell
Source Cell	iPS cell Stock	iPS cell Stock
Manufacturing Method	Manufactured at Site A using Method A	Manufactured at Site A using Method A
Function / Effect	Acute lymphoblastic leukemia	Acute lymphoblastic leukemia



Ownership Transfer Agreement

■ Financial terms related to the transfer of ownership

Following the execution of the ownership transfer agreement with our foundation, we will grant your company possessory rights at the time of Clinical Trial Notification submission. Ownership will be formally transferred upon regulatory approval. No payment is required at the time the possessory rights are granted; however, upon regulatory approval in the relevant country, a payment of JPY 50 million will generally be required as consideration for the ownership transfer. *1 *2

Please note that, even in cases where ownership is transferred under the said ownership transfer agreement, the stock will remain subject to restrictions prohibiting re-transfer of usage rights, possessory rights, and ownership rights.

Also, please be aware that even after ownership transfer, the obligation to pay stock maintenance and management fees will **not** be waived.

*1: For venture companies with fewer than 100 employees, the consideration for ownership transfer will be JPY 25 million.
*2: Ownership transfer will be conducted per management unit. Even if the products are derived from the same iPS cell stock, a payment of JPY 50 million per regulatory approval is required for each distinct management unit.

However, payment will be capped at a maximum of three management units; in principle, no additional payments will be required for a fourth or subsequent management unit.

Contact us

■ Regarding the iPS Cell Stock

ips-stock-shinsa*cira-foundation.or.jp
Please replace “*” with “@” and contact us via email.