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Bonac Corporation

Bonac to Initiate Joint Research with Fukuoka Prefecture on the Development of Treatment for COVID-19

Bonac Corporation (HQ: Kurume City, Fukuoka; CEO: Hirotake Hayashi, "Bonac") exchanged today an agreement with Fukuoka Prefecture to start joint research in the development of therapeutic drugs for COVID-19.

The agreement brings together Bonac, with its RNA interference technology derived from its proprietary nucleic acid drug platform, and the Fukuoka Institute of Health and Environmental Health ("Institute"), a public health organization experienced in viral research with access to the latest data and knowledge of infectious diseases.

Bonac's technology aims to decompose the genomic RNA of SARS-CoV-2 and exert anti-viral effects in infected patients. Bonac had successfully identified up to 50 candidates targeting the SARS-CoV-2 genome.

The Institute, funded by the prefecture, is equipped with Biosafety Level 3 (BSL-3) research facilities that are critical to ensure the highest safety standards in an *in vitro* SARS-CoV-2 live virus model testing for evaluation of Bonac candidates' efficacy. The candidates selected in this joint research will be subjected to safety assessments in animals.

Bonac, established in 2010, has developed through its R&D a proprietary platform technology in nucleic acid medicine. To date, the biotech venture has been working on the development of drugs in the area of idiopathic pulmonary fibrosis and other respiratory diseases. In such endeavors, it focuses on drug delivery technology, specifically the use of inhalers to minimize patient side effects. The company is also working on the development of nucleic acid medicines for viruses such as hepatitis and influenza.

Bonac's researchers first mobilized to conduct feasibility assessment regarding the use of its nucleic acid technology for treatment of COVID-19 patients in January of this year, when first reports on an outbreak in China appeared in the news. Simultaneously they started to reach out to relevant external organizations to discuss optimal ways to realize such drug development. This led to support from Fukuoka Prefecture and Kurume City, paving way for the latest agreement.

Statement from Hirotake Hayashi, Chief Executive Officer, Bonac:

"The COVID-19 pandemic has resulted in a public health crisis not only in Japan but around the world. The results of first *in vitro* screenings indicate our proprietary platform technology in nucleic acid medicine is directly applicable to COVID-19. We are grateful to the Fukuoka Prefecture for enabling us to take this drug development to the next steps. There is still much to do, and all of us at Bonac are committed to doing all we can and with speed, as both speed and safety are priorities in the mission to bring solutions to offset this unprecedented pandemic."