

CareNet invests in US DiscGenics, a startup specializing in regenerative therapies for intervertebral disc tissue

February 14, 2020

CareNet, Inc.

CareNet, Inc. (headquarters: Chiyoda-ku, Tokyo; President: Katsuhiro Fujii; URL: <http://www.carenet.co.jp> , hereinafter CareNet) announces that CareNet has agreed to underwrite the allocation of new shares to a third party by DiscGenics, Inc. (headquarters: Utah, USA; CEO: Flagg Flanagan; URL: <https://www.discgenics.com/> , hereinafter DiscGenics).

[Background and objectives of the investment]

CareNet and Medical Incubator Japan K.K. (hereinafter MIJ / established on May 15, 2018) have already entered a business collaboration agreement, discussed the investment, and together will underwrite a capital increase through a third-party allocation. CareNet and MIJ provide a variety of support options for startup companies expected to be leaders in revolutionary therapeutic solutions by developing innovative technologies in the field of healthcare, including financial support, as well as operational support, such as streamlining and accelerating clinical trials and promotion of the intended use of regenerative therapies. This investment is part of our business activities for DiscGenics, a startup specializing in regenerative therapies for intervertebral disc tissue using allogeneic stem cells derived from the nucleus pulposus of intervertebral discs. Along with the investment, CareNet and MIJ have also entered into another agreement with DiscGenics on business support for patient enrollment in phase I/II clinical trials to evaluate the safety and efficacy of Injectable Disc Cell Therapy (IDCT), which DiscGenics is currently sponsoring in Japan. CareNet will collaborate with MIJ in providing a variety of support to contribute to the future success of DiscGenics.

About DiscGenics



Name: DiscGenics, Inc.

Representative Director: Flagg Flanagan, CEO

Location: Utah, USA

Major business activities: Supplying regenerative therapies for intervertebral disc (IVD) tissue using allogeneic stem cells derived from the IVD nucleus pulposus

DiscGenics is a startup specializing in regenerative therapies for IVD tissue, which functions to provide a cushion for the spine. Disc degenerative diseases are understood to increase in prevalence with aging from the 20s. It has been reported that pain increases as disease symptoms progress and further progression of disk degeneration significantly impairs daily activities and life. It is estimated that there are at least 5 million people in the US and Japan with disc degenerative diseases of the lumbar spine, one of the targeted indications. Expectations are raised for the possibility that development of regenerative therapies for IVD tissue using allogeneic stem cells derived from the IVD nucleus pulposus may offer a high cost-effective treatment modality without requiring major surgical intervention. DiscGenics is currently developing regenerative therapies for the approval in the US and Japan.

About CareNet

Name: CareNet, Inc.

Representative Director: Katsuhiko Fujii, President

Location: Risona-kudan Building, 1-5-6, Kudan-minami, Chiyoda-ku, Tokyo

Establishment: July 1996

Capital: 627 million yen

Major business activities: Medical and pharmaceutical business support services for pharmaceutical companies and medical services for doctors and medical professionals.

Contact for the present release:

CareNet Inc., Administrative Management Division

TEL: +81-3-5214-5800 Email: ir@carenet.co.jp