Financial Results for the Fiscal Year ended March 31, 2025
[Japanese GAAP] (non-consolidated)

May 9, 2025

BrightPath Biotherapeutics Co., Ltd. Listed Market Growth, TSE
TSE Code 4594 URL https://www.brightpathbio.com/english/
Representative (Title) President & CEO (Name) Kenichi Nagai
Contact (Title) CFO (Name) Yoichi Takeshita (TEL) +81-3-5840-7697
Scheduled date of annual meeting of shareholders : June 19, 2025
Scheduled date of dividend payment commencement :—
Scheduled date of submission of securities report : June 19, 2025
Supplementary materials for financial statements : Yes
Briefing of financial results : Yes (for analysts and institutional investors)

(Millions of yen, rounded down to the nearest million)

1. Financial results for fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

(1) Results of Operation (Percentages represent changes from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2025	1	1,456.8	-1,160	—	-1,147	—	-1,151	—
Fiscal year ended March 31, 2024	0	-98.6	-1,155	—	-1,158	—	-1,168	—

	Net income per share	Fully diluted net income per share	Return on shareholders' equity	Ratio of ordinary income to total assets	Operating margin
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	-14.12	—	-123.8	-97.7	-102,432.9
Fiscal year ended March 31, 2024	-18.21	—	-93.3	-79.1	-1,586,646.7

(Reference) Equity in earnings (losses) of affiliated companies:
Year ended March 31, 2025: ¥— million
Year ended March 31, 2024: ¥— million

(Note) 1. Fully diluted net income per share is not stated as net loss was recorded for this period although there are residual shares.

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	1,120	924	80.6	9.98
As of March 31, 2024	1,230	978	77.7	13.52

(Reference) Shareholders' equity As of March 31, 2025 903 million yen
As of March 31, 2024 956 million yen

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2025	-1,250	-1	1,004	810
Fiscal year ended March 31, 2024	-1,156	-7	690	1,057

2. Dividends

	Annual dividends per share					Total dividends paid (annual)	Dividends payout ratio	Ratio of dividends to net assets
	1Q	2Q	3Q	4Q	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2024	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended March 31, 2025	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending March 31, 2026 (Forecast)	—	0.00	—	0.00	0.00		—	

3. Projected financial results for fiscal year ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(Percentages represent changes from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	0	-87.6	-1,182	—	-1,164	—	-1,166	—	-12.88

(Note) 1. The Company manages business results on an annual basis, and therefore only the full-year financial forecasts are disclosed.

[Notes]

(1) Changes in significant accounting policies, changes in accounting estimates and restatements

1) Changes in accounting policies due to revisions of accounting standards, etc. : None

2) Changes in accounting policies due to other reasons than above 1) : None

3) Changes in accounting estimates : None

4) Restatements : None

(2) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of the period (including treasury stock)	As of March 31, 2025	90,491,300 shares	As of March 31, 2024	70,741,300 shares
2) Number of shares of treasury stock at the end of the period	As of March 31, 2025	51 shares	As of March 31, 2024	1 shares
3) Average number of shares during the period	Year ended March 31, 2025	81,506,284 shares	Year ended March 31, 2024	64,162,271 shares

* These financial results are outside the scope of audits by a certified public accountant or an audit corporation.
* Explanations regarding appropriate use of forecasts and projections of financial results, and other specific notes
  - All forecasts and projections contained in this document are based on the information available and certain assumptions deemed reasonable by the Company at this time. They are not intended to represent our promise to attain them as a goal. Actual results may differ substantially due to various reasons. For details on the assumptions and conditions for forecasts and projections as well as notes on their use, please refer to “1. Overview of Business Results, (4) Future Outlook” on page 5 of the attachment.

Contents of the Attachment

1. Overview of Business Results

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended March 31, 2025, the global economy recovered moderately, partly due to a slowdown in inflation, although the outlook remained uncertain due to a change of government in major Western countries on top of prolonged international conflicts. While overseas stock markets generally showed an upward trend toward the end of 2024, the stock prices of biotech companies remained stagnant, moving back and forth. Japanese economy has been gradually recovering as personal consumption appeared to have bottomed out. The stock prices have been soft overall, however, with last summer's wild swings in between, and circumstances in the stock market for small and medium-sized Japanese companies continue to be difficult.

BrightPath Biotherapeutics Co., Ltd. (the "Company") raised capital through the issuance of Series 17 through 19 warrants to invest mainly in preparation for the US clinical trials of CAR-iPSNKT cell therapy and has made steady progress toward the commercialization.

Cell therapy agents

<iPSC derived natural killer T-cell (NKT cell) therapy: BP2201>

BP2201 (iPS-NKT) is a candidate agent for novel allogeneic cell therapy. This novel therapy uses natural killer T-cells (NKT cells)[*1] manufactured in large quantities through iPS cell technology to treat cancer, since NKT cells have multifaceted anti-tumor effects including cancer-killing capabilities.

The Company has obtained an exclusive license to use the patent for iPSC derived NKT cells (iPS-NKT) from Institute of Physical and Chemical Research, a.k.a. RIKEN. This patent, registered in Japan, the US and the EU, extensively and exclusively protects the use of iPS-NKT for CAR-T cell therapy[*2] and other kinds of allogeneic cell therapy. This license has allowed the Company to establish the manufacturing process capable of differentiating iPS cells in the master iPS cell bank into high-purity and high-yield NKT cells and facilitated the Company's introduction of gene-editing technologies. At Chiba University where clinical research for autologous NKT cell therapy has been continued since the beginning of the 2000s, an investigator-initiated Phase 1 trial of iPS-NKT in patients with head and neck cancers started in June 2020 and finished in January 2024. This was the world's first clinical application of iPS-NKT in cellular immunotherapy. This clinical trial demonstrated acceptable tolerability and safety as the primary endpoints and confirmed preliminary anti-tumor activity, as shown by the topline data published at an academic conference in February 2024.

Non-genetically edited iPS-NKT cells used in this clinical trial can serve as a cornerstone or platform for developing novel iPS-NKT cells by transducing CAR-T cells targeting various tumor antigens. Such platform will facilitate the application of iPS-NKT cells to treatment of various types of cancer in many regions of the world.

<CAR-iPSNKT cell therapy: BP2202>

BP2202 (CAR-iPSNKT) is a new CAR-T cell therapy using unmodified iPS-NKT cells with chimeric antigen receptors (CAR) that can recognize cancer antigens with the aim of enhancing tumor killing capabilities. Instead of the patient's own T cells used in the previously approved autologous CAR-T cell therapy, iPS-derived NKT cells generated from a healthy donor are used. The development is proceeding based on the concept of switching parts (effector cells) of cell therapy that have been approved as drugs with mechanisms of action verified through clinical trials, to more effective ones.

Compared to non-genetically edited iPS-NKT cells, HER2/BCMA CAR iPS-NKT experimentally manufactured by the Company exhibits enhanced anti-tumor effects in mice tests.

In May 2023, the Company obtained a license for the STAR-CRISPR™ gene editing technology. This license enables the Company to create programs for advanced gene-edited CAR-iPS NKT cell therapy to treat various types of cancer including solid tumors. The Company's development project

to create BP2202 as prototype CAR-NKT cells for hematologic cancer is underway. In parallel, the Company is preparing the creation of the master cell bank and GMP-compliant manufacturing.

<HER2 CAR-T cell therapy: BP2301>

BP2301 is a chimeric antigen receptor gene-transfected T-cell (CAR-T cell) therapy which targets HER2 that is highly expressed in various solid tumors. Until today, CAR-T cell therapies have been approved globally with excellent clinical benefits demonstrated in clinical trials for hematologic cancers. However, the deployment of CAR-T cell therapies to treat solid tumors, from which a larger number of people suffer, faces a challenge due to the lack of sufficient clinical efficacy of CAR-T cells resulting from their exhaustion and dysfunction in the immune-suppressive tumor microenvironment.

The Company has successfully overcome this challenge by developing a technology using CAR-T cells rich in stem cell memory phenotypes. Owing to the high replicability and long-term viability of such CAR-T cells in the patient's body, BP2301 is a promising solution to enhance resistance to T-cell exhaustion and to achieve long-lasting anti-tumor effects in the tumor microenvironment. This success is attributed to the joint development of a novel cell culture method with Professor Yozo Nakazawa and Professor Shigeki Yagyu of Shinshu University, based on Professor Nakazawa's non-viral gene transfer method.

In the Phase 1 investigator-initiated clinical trial started in May 2022 at Shinshu University, the treatment of HER2-positive relapsed or advanced sarcomas and gynecological malignancies is being tested.

Antibody drugs

Since immune checkpoint molecules[*3] or immunomodulatory molecules suppress the immune system to eliminate tumor cells, the Company is developing antibody drugs capable of binding to such molecules and inhibiting their function. The Company’s antibody drug development pipelines cover BP1200, BP1202, BP1210, BP1212 and BP1223. BP1200 and BP1202 target CD73 and CD39 respectively, both of which help prevent the production of immunosuppressive adenosine. BP1210 targets TIM-3, which is expressed in immune cells and restraints anti-tumor immunity. BP1212 is a CD39/TIM-3 bispecific antibody targeting immune cells which co-express CD39 and TIM-3 and simultaneously blocking multiple immunosuppressive mechanisms. Furthermore, BP1223 is a T cell engager[*4] that binds to both CD39, which is expressed on cancer cells, and CD3, which is expressed on T cells. The effort to obtain further non-clinical data for antibody profiling is underway during the course of licensing activities.

Regarding BP1223, the Company’s joint research with National Cancer Center Hospital East is underway for non-clinical studies to confirm pharmaceutical benefits, pharmacological effects and mode-of-action analysis targeting blood cancer including acute myeloid leukemia. Some of the research results were presented at the 66th American Society of Hematology Annual Meeting and Exposition in December, 2024.

Cancer vaccines

<Fully-personalized neoantigen vaccine with immune checkpoint antibodies: BP1209>

BP1209 is a new platform of fully-personalized neoantigen vaccines[*5] optimized to induce each individual patient’s anti-tumor immunity targeting immunogenic neoantigens derived from mutations in cancer cell derived genes. BP1209 uses checkpoint inhibitor antibodies to deliver neoantigen peptides to dendritic cells acting as messengers to T-cells. To facilitate the binding of BP1209 to such antibodies, the Company’s original linker technology is utilized. The Company has demonstrated in a tumor-bearing mouse model that efficient delivery of vaccine antigens to dendritic cells which direct anti-tumor immunity can induce many more cancer-killing T-cells which identify and attack neoantigens than peptides alone do.

As a consequence of all of the foregoing, the Company recorded the financial results for the fiscal year ended March 31, 2025 as follows: net sales of 1,133 thousand yen (72 thousand yen in the prior year), operating loss of 1,160,918 thousand yen (1,155,078 thousand yen in the prior year), ordinary loss of 1,147,879 thousand yen (1,158,929 thousand yen in the prior year), and net loss of 1,151,149 thousand yen (1,168,082 thousand yen in the prior year).

(2) Overview of Financial Position for the Fiscal Year under Review

(i) Current assets

At the end of the fiscal year under review, current assets were 1,071,315 thousand yen, a decrease of 109,644 thousand yen from the end of the previous fiscal year. The main factors for this include a decrease of 246,889 thousand yen in cash and deposits due to expenditures related to research and development, etc., despite proceeds from the issuance of shares.

(ii) Non-current assets

At the end of the fiscal year under review, non-current assets were 49,296 thousand yen, a decrease of 0 thousand yen from the end of the previous fiscal year. Long-term prepaid expenses were reclassified to prepaid expenses because the cost benefit would end within one year.

(iii) Current liabilities

At the end of the fiscal year under review, current liabilities were 131,661 thousand yen, a decrease of 59,349 thousand yen from the end of the previous fiscal year. The main factors for this include a decrease of 87,500 thousand yen in current portion of bonds payable.

(iv) Non-current liabilities

At the end of the fiscal year under review, non-current liabilities were 63,962 thousand yen, an increase of 3,703 thousand yen from the end of the previous fiscal year. The main factors for this include an increase of 3,611 thousand yen in provision for retirement benefits.

(v) Net assets

At the end of the fiscal year under review, net assets were 924,987 thousand yen, a decrease of 53,999 thousand yen from the end of the previous fiscal year. The main factors for this include an increase of 1,098,417 thousand yen in the total of capital stock and capital surplus due to issuance of new shares, and a decrease of a net loss of 1,151,149 thousand yen. As a result of the above, equity ratio was 80.6% compared to 77.7% at the end of the previous fiscal year.

(3) Overview of Cash Flows for the Fiscal Year under Review

At the end of the fiscal year under review, cash and cash equivalents (hereinafter “net cash”) amounted to 810,470 thousand yen, a decrease of 246,889 thousand yen from the end of the previous fiscal year. The situation of each cash flow for the fiscal year under review and the underlying factors are as follows:

(Cash flows from operating activities)

Net cash used in operating activities amounted to 1,250,359 thousand yen (1,156,920 thousand yen used in the prior year). This was mainly due to recording loss before income taxes of 1,149,249 thousand yen.

(Cash flows from investing activities)

Net cash used in investing activities amounted to 1,370 thousand yen (7,648 thousand yen used in the prior year). This was due to 1,370 thousand yen spent for purchase of property, plant and equipment associated with research and development equipment.

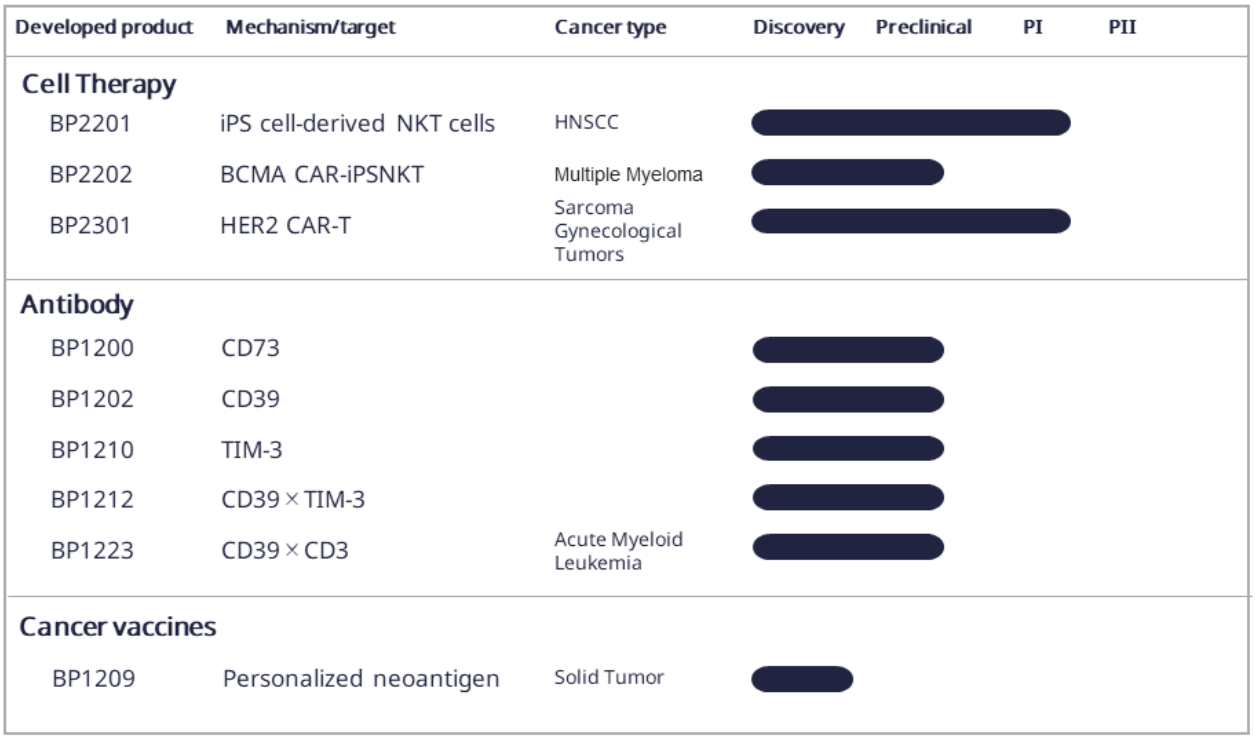
(Cash flows from financing activities)

Net cash provided from financing activities amounted to 1,004,840 thousand yen (690,959 thousand yen provided in the prior year). This was mainly due to 1,090,805 thousand yen in proceeds from issuance of shares resulting from exercise of share acquisition rights.

(4) Future Outlook

The Company's business mission is to create novel cancer immunotherapy drugs. The Company's business model is based on developing drugs that utilize the immune system to kill cancer cells, involving in the early development stage of these drugs, and licensing them out to pharmaceutical companies to monetize them. The current goal is to advance each development pipeline to a stage of next-level development where there are many licensing transaction flows.

The pipelines currently underway are as follows, which we are pushing forward developments as we have previously envisioned.



<Glossary>

*1. NKT cell

An immune cell combining the properties of natural killer (NK) cells and T-cells and serving as a functional bridge between innate and acquired immunity. NKT cells have the ability to directly kill cancer cells through T-cell receptors or NK cell receptors and at the same time have an adjuvant action that activates other immune cells such as T-cells and dendritic cells. When activated, NKT cells produce a variety of cytokines and promote the activation of NK cells belonging to the innate immune system and the maturation of dendritic cells. Mature dendritic cells further proliferate and activate killer T-cells belonging to the acquired immune system, thereby synergistically enhancing anti-tumor effects.

*2. CAR-T cell therapy

Chimeric antigen receptor T-cell therapy. Chimeric antigen receptors that recognize antigens expressed by cancer cells are gene-transfected into T-cells (a type of lymphocyte with anti-tumor immunity), which are then grown in culture and administered.

*3. Immune checkpoint molecule

A group of molecules that suppress the immune response to self as well as suppress excessive

immune responses in order to maintain immune homeostasis. In cancer immunity, they are present to prevent the attack on self by over-activation, but in the carcinogenic process, they are used by cancer cells to evade attack from the immune system and to proliferate.

*4. T cell engager

T cell engagers are antibodies engineered to redirect the immune system's T cells to recognize and kill cancer cells. They are designed to bind to a target antigen expressed on a cancer cell and to a trigger molecule on T cells.

*5. Fully personalize neoantigen vaccine

A tailor-made cancer vaccine that searches for neoantigens in cancer cells of individual patients. Clinical trials currently conducted overseas by academia and leading development companies include those for mRNA vaccines, that is, lipid nanoparticles (LNP) loaded with mRNAs coding for neoantigens.

(5) Significant Events regarding Going Concern Assumptions

In the Company's drug discovery business, the research and development of each new drug candidate substance is conducted in stages from exploratory research to Phase III clinical trials in accordance with pharmaceutical regulations, from the creation of the seeds to the manufacturing and marketing of the drug after obtaining regulatory approval, and the entire process takes a long time and requires a large amount of capital. Because of the business model in which research and development expenses are incurred upfront, cash flow from operating activities is negative and operating losses continue to be recorded, and there are events or conditions that may raise substantial doubt about the Company's ability to continue as a going concern.

In response to this situation, the Company is concentrating its investment in key pipelines and continuing vigorous negotiations of alliance to obtain upfront licensing payment by entering into a license agreement about the pipelines that can be licensed out at an early stage. In terms of funds, the Company has 810 million yen in cash and deposits as of the end of the period under review, and the Series17 to 19 of warrants resolved on June 19, 2024 are being exercised smoothly. Since the Company is continuing discussions with financial institutions regarding future funding, it is highly likely that the Company will be able to receive continued support. In addition, as it is possible to further reduce fixed costs as the development phase transitions, sufficient funds have been secured to conduct R&D activities. Therefore, we recognize that there are no significant uncertainties regarding the premise of a going concern.

2. Basic Views on Selection of Accounting Standards

The Company's financial reporting is made in accordance with generally accepted accounting principles in Japan (Japanese GAAP). As to whether to adopt the International Financial Reporting Standards (IFRS) in the future, the Company intends to carry out proper deliberation in light of various situations at home and abroad.

3. Financial Statements and Primary Notes

(1) Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	1,057,360	810,470
Accounts receivable - trade	6	1,148
Advance Payments	71,409	183,039
Consumption taxes refund receivable	37,979	63,531
Other	14,204	13,125
Total current assets	1,180,960	1,071,315
Non-current assets		
Property, plant and equipment		
Buildings, net	0	0
Tools, furniture and fixtures, net	0	0
Total property, plant and equipment	0	0
Intangible assets		
Software	0	0
Total intangible assets	0	0
Investments and other assets		
Long-term prepaid expenses	0	—
Other	49,296	49,296
Total investments and other assets	49,296	49,296
Total non-current assets	49,296	49,296
Total assets	1,230,257	1,120,612

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	20	35
Current portion of bonds payable	112,500	25,000
Accounts payable - other	52,729	82,623
Accrued expenses	6,088	3,277
Income taxes payable	12,815	17,068
Deposits received	6,856	3,598
Total current liabilities	191,011	131,661
Non-current liabilities		
Deferred tax liabilities	0	0
Provision for retirement benefits	37,610	41,221
Asset retirement obligations	22,648	22,741
Total non-current liabilities	60,258	63,962
Total liabilities	251,270	195,624
Net assets		
Shareholders' equity		
Capital stock	650,661	1,199,869
Capital surplus		
Legal capital surplus	550,661	1,099,869
Other capital surplus	2,408,534	2,408,534
Total capital surpluses	2,959,195	3,508,404
Retained earnings		
Other retained earnings		
Retained earnings brought forward	-2,653,715	-3,804,864
Total retained earnings	-2,653,715	-3,804,864
Treasury stock	-0	-2
Total shareholders' equity	956,141	903,407
Share acquisition rights	22,845	21,580
Total net assets	978,987	924,987
Total liabilities and net assets	1,230,257	1,120,612

(2) Statements of Operations

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	72	1,133
Cost of sales		
Research and development costs	18	32
Total cost of sales	18	32
Gross profit	54	1,101
Selling, general and administrative expenses	1,155,133	1,162,019
Operating income	-1,155,078	-1,160,918
Non-operating income		
Interest income	12	69
Foreign exchange gains	—	2,245
Settlement income	—	15,108
Other	286	4
Total non-operating income	299	17,428
Non-operating expenses		
Foreign exchange losses	2,659	—
Share issuance cost	1,399	4,298
Other	90	90
Total non-operating expenses	4,149	4,388
Ordinary income	-1,158,929	-1,147,879
Extraordinary losses		
Impairment loss	7,252	1,369
Other	0	0
Total extraordinary losses	7,252	1,370
Income before income taxes	-1,166,182	-1,149,249
Income taxes - current	1,900	1,900
Total income taxes	1,900	1,900
Net income	-1,168,082	-1,151,149

Manufacturing Statement

Manufacturing statement for research and development costs

		Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025	
Category	Notes	Amount (Thousand yen)	Composition (%)	Amount (Thousand yen)	Composition (%)
I Material cost		―	―	―	―
II Labor cost		―	―	―	―
III Expenses		18	100.0	32	100.0
Research and development expenses for the current period		18	100.0	32	100.0
Work in progress at the beginning of the period		―		―	
Work in progress at the end of the period		―		―	
Total		18		32	
Research and development costs for the current period		18		32	

(Cost accounting method)

The Company adopts the job-order cost system.

(3) Statement of Changes in Net Assets

Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Shareholders' equity							
	Capital stock	Capital assets surplus			Retained earnings		Treasury stock	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of current period	362,185	262,185	2,408,534	2,670,720	-1,485,633	-1,485,633	-0	1,547,272
Changes of items during period								
Issuance of new shares	288,475	288,475		288,475				576,950
Net loss (-)					−1,168,082	−1,168,082		−1,168,082
Purchase of treasury stock								—
Net changes of items other than shareholders' equity								
Total changes of items during period	288,475	288,475	—	288,475	-1,168,082	-1,168,082	—	-591,131
Balance at end of current period	650,661	550,661	2,408,534	2,959,195	−2,653,715	−2,653,715	-0	956,141

	Share acquisition rights	Total net assets
Balance at beginning of current period	20,268	1,567,541
Changes of items during period		
Issuance of new shares		576,950
Net loss (-)		-1,168,082
Purchase of treasury stock		—
Net changes of items other than shareholders' equity	2,577	2,577
Total changes of items during period	2,577	-588,554
Balance at end of current period	22,845	978,987

Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Shareholders' equity							
	Capital stock	Capital assets surplus			Retained earnings		Treasury stock	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of current period	650,661	550,661	2,408,534	2,959,195	-2,653,715	-2,653,715	-0	956,141
Changes of items during period								
Issuance of new shares	549,208	549,208		549,208				1,098,417
Net loss (-)					−1,151,149	−1,151,149		−1,151,149
Purchase of treasury stock							-2	-2
Net changes of items other than shareholders' equity								
Total changes of items during period	549,208	549,208	−	549,208	-1,151,149	-1,151,149	-2	-52,733
Balance at end of current period	1,199,869	1,099,869	2,408,534	3,508,404	-3,804,864	-3,804,864	-2	903,407

	Share acquisition rights	Total net assets
Balance at beginning of current period	22,845	978,987
Changes of items during period		
Issuance of new shares		1,098,417
Net loss (-)		-1,151,149
Purchase of treasury stock		-2
Net changes of items other than shareholders' equity	-1,265	-1,265
Total changes of items during period	-1,265	-53,999
Balance at end of current period	21,580	924,987

(4) Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Loss before income taxes (-)	-1,166,182	-1,149,249
Depreciation	395	—
Impairment loss	7,252	1,369
Interest and dividend income	-12	-69
Decrease (increase) in notes and accounts receivable - trade	49	-1,141
Increase (decrease) in notes and accounts payable - trade	-56	15
Increase (decrease) in retirement benefit liability	2,821	3,611
Other, net	698	-118,164
Subtotal	-1,155,034	-1,263,628
Interest and dividend income received	13	60
Income taxes paid	-1,900	-1,900
Settlement received	—	15,108
Net cash provided by (used in) operating activities	-1,156,920	-1,250,359
Cash flows from investing activities		
Purchase of property, plant and equipment	-6,194	-1,370
Purchase of intangible assets	-1,454	—
Net cash provided by (used in) investing activities	-7,648	-1,370
Cash flows from financing activities		
Proceeds from issuance of bonds	500,000	500,000
Redemption of bonds	-387,500	-587,500
Proceeds from issuance of shares resulting from exercise of share acquisition rights	573,382	1,090,805
Purchase of treasury stock	—	-2
Proceeds from issuance of share acquisition rights	5,076	2,580
Payments for purchase of treasury share acquisition rights	—	-1,042
Net cash provided by (used in) financing activities	690,959	1,004,840
Net increase (decrease) in cash and cash equivalents	-473,609	-246,889
Cash and cash equivalents at beginning of period	1,530,969	1,057,360
Cash and cash equivalents at end of period	1,057,360	810,470

(5) Notes to Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in presentation)

Due to the significance, the account presented as “Other” under “Current assets” until the prior fiscal year have been reclassified into “Advance payments”, “Consumption taxes refund receivable” and “Other”. “Advance payments”, “Consumption taxes refund receivable” and “Other” for the prior fiscal year amounted to 71,409 thousand yen, 37,979 thousand yen and 14,204 thousand yen, respectively.

(Segment information, etc.)

Segment information is omitted as the Company operates in the single business segment of the pharmaceutical development business and there is no other significant segment information.

(Per share information)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
	Yen	Yen
Net assets per share	13.52	9.98
Net loss per share (-)	-18.21	-14.12

(Notes) 1. Fully diluted net income per share is not stated as net loss was recorded although there are residual shares.

2. The basis for calculating net loss per share is as follows:

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net loss (Thousand yen) (-)	−1,168,082	-1,151,149
Amount not attributable to common shareholders (Thousand yen)	—	—
Net loss for common stock (Thousand yen) (-)	−1,168,082	-1,151,149
Average number of shares of common stock during the period (Shares)	64,162,271	81,506,284
Overview of residual shares not included in calculation of fully diluted net income per share due to lack of dilutive effect	—	—

3. The basis for calculating net assets per share is as follows:

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Total net assets (Thousand yen)	978,987	924,987
Amount deducted from total net assets (Thousand yen)	22,845	21,580
(of which, share acquisition rights) (Thousand yen)	(22,845)	(21,580)
Net assets at the end of the period for common stock (Thousand yen)	956,141	903,407
Number of shares of common stock at the end of the period to calculate net assets per share (Shares)	70,741,299	90,491,249

(Significant subsequent events)

(Exercise of the Series 18 warrants)

During the period from April 1, 2025 to May 9, 2025, 1,900,000 shares of common stock have been issued for total issue price of 67,000 thousand yen by execution of the Series 18 warrants to increase capital stock and

legal capital surplus by 33,576 thousand yen each, including 152 thousand yen transferred from share acquisition rights.