

# **2024/3 2<sup>nd</sup> Quarter Financial Results and Brief summary of our current pipeline**

**2023/11/22**  
**Cuorips, Inc.**  
**(TSE Code : 4894)**

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# 1. 2<sup>nd</sup> Quarter Financial Highlights

# 2024/3 2<sup>nd</sup> Quarter Highlights

2024/3 fiscal year  
Cumulative results

## ■ Sales 11 million yen (\$79K, \$1=Yen 140)

- Operating Loss ¥ 290 Million, Recurring Loss ¥ 328 Million、  
Net Loss ¥ 327 Million (\$2.1 m, \$2.3 m, \$2.3 m respectively)
- R&D expense: ¥ 108 Million (\$771K)
- Non-operating Exp: ¥ 37 million (IPO related fees, \$264K)
- Outstanding Cash ¥ 5,803 million (\$41.5 million)

Our forecast  
for 2024/3

## ■ Revision of our forecast (11/10 release)

- Sales downward revision、operating loss, etc. upward revision
- Sales ¥ 32M、Operating Loss ¥ 1,059M、Recurring Loss ¥ 1,099M、  
Net Loss ¥ 1,100M (\$228K, \$7.6M, \$7.85M, \$7.9M respectively)

Status of our  
pipeline

## ■ Progress made in all of our pipeline

- Joint research agreement concluded with Niigata Univ. (Oct.)  
regarding Regeneration inducing Drug (YS)
- Setting up a subsidiary (manufacturing and sales of secretome, exosome)  
(Nov.)
- Setting up U.S. subsidiary
- ICM:Osaka Univ. conducts presentation at AHA conference (Nov.)

Recent topics

# 2024/3 Fiscal 2<sup>nd</sup> Quarter results

	2023/3 Fiscal Results	2024/3 Fiscal 2 <sup>nd</sup> Quarter cumulative results	
Sales	38	11	【Sales】 CDMO operation
COGS	17	7	
Gross Margin	21	4	
SG&A expense	471	294	【SG&A】 received Yen 108 million from our R&D partner (294 M is a net figure)
Operating Loss	△450	△290	
Net Loss	△452	△327	

(Unit : Million yen)

# 2024/3 Fiscal 2<sup>nd</sup> Quarter B/S

▪ Increase in Cash owing to IPO. Other than that, no significant change

	2023/3 Fiscal (A)	2024/3 Fiscal 2 <sup>nd</sup> Quarter(B)	(B)-(A)
Current Assets	2,977	5,831	2,854
Cash & deposits	2,941	5,803	2,862
Fixed Assets	610	578	△32
<b>Total Assets</b>	<b>3,587</b>	<b>6,410</b>	<b>2,823</b>
Current Liab.	97	188	91
Fixed Liabilities	36	35	△1
<b>Total Liabilities</b>	<b>133</b>	<b>223</b>	<b>90</b>
<b>Net Worth</b>	<b>3,453</b>	<b>6,186</b>	<b>2,733</b>
<b>Total Liab.&amp;NetWorth</b>	<b>3,587</b>	<b>6,410</b>	<b>2,823</b>

(Unit:Million Yen)

# Recent Topics①

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## ■ Establishment of New Subsidiary

### 【Purpose】

▪ utilizing secretome and exosome, from manufacturing of iPSC derived cardiomyocyte and/or msc cells

### 【Operation】

▪ manufacturing, and sales of the above-mentioned secretome and exosome  
▪ research for development of pharmaceutical products, cosmetics and other healthcare products, and raw materials for these products

### 【Description of the New Subsidiary】

Name: Cuorips Healthcare Science Inc.

Location: Tokyo Japan

CEO Dr. Sawako Hibino

Total Paid-in Capital: 60 million Yen

Date of Incorporation: 2023, December

Our 100% subsidiary

# Recent topics②

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## ■ Our new U.S. office

- Recently awarded from the METI (Japanese Government) to use its offices
- One of the 5 companies to be granted for this award

## 【Benefits】

- Financial support from the Japanese Government (free rent, free utilities, etc.)
- Access to world class universities, institutions, etc.
- Increasing our global network by using this office
  - Only 5 companies were granted office and other 47 co-working space (desk only)

## 【Office summary】

- Name: Japan Innovation Campus
- Address: 212 Homer Ave, Palo Alto, CA 94301 USA
- Floor Plan: 2 stories, and a basement total 860m<sup>2</sup>
- Access: 2 minute walk from Palo Alto City Hall  
20 minutes by car from San Jose Airport

## 【Picture of the office】



(Source) : METI homepage

# Recent Topics③

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- During the AHA (American Heart Association) conference Osaka Univ. made an oral presentation on our product (see below)

Title: First in Human Clinical Trial of Human Induced Pluripotent Stem Cell-Derived Cardiac Patches for Ischemic Heart Failure Patients

Presenter: Dr. Takuji Kawamura (Assistant Prof. of Cardiovascular Surgery Osaka University)

Date: November 13<sup>th</sup> 2023

Location: Philadelphia Pennsylvania U.S.A.

\* AHA (American Heart Association) was established in 1924 by the specialists in the cardiovascular field. It is one of the largest and most prestigious medical associations in the world.

It is the world's best academic conference in the area of cardiovascular medicine and considered to be the most difficult to be selected to make a presentation.



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## 2. Our forecast for 2024/3 fiscal

# Our Forecast for 2024/ 3 Fiscal year

## ■ Upward revision of our forecast (released on 11/10)

- Sales downward revision, Net Loss reduced owing to cost reduction

- Sales: CDMO sales were revised downward owing to a delay in our clients' R&D activities

- Loss: Owing to reduction in fixed costs and expenses, Net Loss is reduced

	2024/3 Initial forecast on 2023.6.27(A)	2024/3 New forecast on 2023.11.10(B)	(B)-(A)
Sales	215	32	△183
Operating Loss	△1,210	△1,059	151
Recurring Loss	△1,246	△1,099	147
Net Loss	△1,249	△1,100	149

(Unit: Million yen)

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# 3. Our pipeline

# Our Pipeline (change from 1<sup>st</sup> Quarter)

pipeline	End of 1 <sup>st</sup> Qtr	End of 2 <sup>nd</sup> Qtr.	Future schedule
iPS Cardio-myocyte patches	<ul style="list-style-type: none"> <li>■ Domestic ICM               <ul style="list-style-type: none"> <li>▪ Observation of the last patient transplanted in March (8<sup>th</sup> patient) until Sept.</li> </ul> </li> </ul> <p>&lt;Overseas&gt;</p> <ul style="list-style-type: none"> <li>■ Setting up our U.S. subsidiary. Discussion with a major U.S. university on Joint research</li> </ul>	<ul style="list-style-type: none"> <li>■ Observation of 8<sup>th</sup> patient completed. Currently, conducting statistical analysis</li> </ul> <p>&lt;Overseas&gt;</p> <ul style="list-style-type: none"> <li>■ Received a grant from METI for office in Silicon Valley (free rent)</li> <li>■ Discussion with major Univ.</li> <li>■ Discussion with CIRM for funding</li> </ul>	<ul style="list-style-type: none"> <li>■ Planning to file an application to PMDA in 2024 → Seeking preliminary approval in 2025</li> </ul> <p>&lt;Overseas&gt;</p> <ul style="list-style-type: none"> <li>■ Setting up an US subsidiary</li> <li>■ Starting Joint research</li> </ul>
	<ul style="list-style-type: none"> <li>■ DCM: Additional Efficacy               <ul style="list-style-type: none"> <li>▪ Preparing for clinical trials → Osaka Univ. receives AMED grant</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ Currently recruiting patients</li> </ul>	<ul style="list-style-type: none"> <li>■ 1<sup>st</sup> clinical trial to begin on January to March Quarter</li> </ul>
Catheter	<ul style="list-style-type: none"> <li>■ Development of new cells Efficacy confirmed with small animals</li> </ul>	<ul style="list-style-type: none"> <li>■ Completed 1<sup>st</sup> large animal testing → Safety issues cleared. Efficacy to be measured</li> </ul>	<ul style="list-style-type: none"> <li>■ Clinical trial to begin in 2025</li> </ul>
Regenerati oninducing factors	<ul style="list-style-type: none"> <li>■ Conducting Joint research with Osaka Univ.</li> <li>■ Looking for other partners</li> </ul>	<ul style="list-style-type: none"> <li>■ Joint research with Niigata Univ. → Offering solution for Liver disease such as NASH, cirrhosis</li> </ul>	—

# Disclaimer

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- This material contains forward-looking statements. These statements are based on assumptions made at the time the statements are made regarding future events and trends, and there can be no assurance that such assumptions may turn out to be correct. Furthermore, such statements are not guarantees of our future results and involve risks and uncertainties. Please note that actual results may differ materially from those projected in our forward-looking statements due to changes in the environment and other factors.
- Factors that may affect the actual results described above include, but are not limited to, domestic and international economic conditions and trends in our related industries.
- The information contained herein is subject to change without prior notice.