

Financial Report and Forecast for FY2025/1Q

August 15, 2024
Cuorips Inc.
(Code: 4894)

1. Financial report of FY2025/1Q

2025 1Q Outlook

Results from Current Period

- Total sales: 0 million yen (rounded to the nearest million)
Operating income: Δ 195 million yen;
Recurring income: Δ 191 million yen;
Net income: Δ 192 million yen
 - R&D Expense: 86 million yen
 - Cash and cash equivalents: 5,205 million yen (Δ 376 million yen from previous FY)

Full Year Forecast

- No revision in the current financial forecast (Disclosed on May 13)
 - Total sales: 20 million yen, operating income: Δ 1,203 million yen, Recurring income: Δ 1,202 million yen, Net income: Δ 1,206 million yen

R&D Progress

- All pipelines progressing smoothly

Misc.

- Establishment of US subsidiary
- California Institute for Regenerative Medicine (CIRM) grant application
- Started contract manufacturing of samples for Repl-tec Corp. (serum)

FY2025/1Q Consolidated Financial Report

■ Results from 1Q of the fiscal year ending March 31, 2025

- Net sales declined due to focus on grant application and suspension of new orders in the CDMO business.
- Deficit increased due to increase in R&D and other expenses.

	Results from FY 2024*	Results of FY 2025 1Q
Net sales	3	0
Cost of sales	2	0
Gross profit	1	0
SG&A expenses	134	195
Operating income	△133	△195
Net income	△166	△192

SG&A : R&D expenses are recorded in net amounts deduction money received from partner companies (86 million yen).

Unit: million yen

*Numbers on Non-consolidated basis

FY2025/1Q Consolidated Financial Position

■ Current assets decreased by 236 million yen from the end of the previous fiscal year. The main cause was a decrease in cash and cash equivalents due to increased expenditures for R&D expenses

	March 31, 2024 Year-end results (A)	March 2025 1 QEnd of Accounting Period (B)	Difference (B)-(A)
Current assets	5,612	5,376	△236
Cash and Cash equivalents*	5,582	5,205	△376
Fixed assets	572	633	61
Total assets	6,184	6,010	△174
Current liabilities	166	151	△15
Fixed liabilities	34	34	0
Total liabilities	200	186	△14
Net assets	5,983	5,823	△160
Total liabilities and net assets	6,184	6,010	△174

* Cash and cash equivalents : Cash and deposits, marketable securities

2. Consolidated Earnings Forecast for FY ending March 31,2025

FY 2025 Consolidated Earnings Forecast

- No changes from consolidated earnings forecast released on May 13th 2024
- Net sales are expected to remain at the same level as the previous year.

Net deficit is expected to increase due to R&D and other expenses as our pipeline developments are accelerated

- Net sales: sales related to the CDMO business. Sales of serum are not incorporated in the forecast because it is difficult to make a reasonable forecast at this point.

- Profit: R&D expenses are mainly used for R&D in the U.S. and for catheters.

We expect to start clinical trials of catheters sometime next year.

	Year ending March 31 st 2024, actual (A)	Year ending March 31 st 2025, track record as of 2024.5.13 (B)	Difference (B)-(A)
Total sales	23	20	△3
Operating income	△588	△1,203	△615
Recurring income	△627	△1,202	△575
Net income	△632	△1,206	△574

(Unit: million yen)

3. Growth strategy

Current pipeline status (progress from previous quarter)

Pipeline	Previous quarter	Present	Future Timeline
iPS myocardial cell sheet	<ul style="list-style-type: none"> ■ Data from 8 clinical trial subjects are being analyzed, with the aim of submitting an application by the end of 2024. <p>Overseas</p> <ul style="list-style-type: none"> ■ Negotiations with joint research partners underway (highest priority) ■ Establishment of a subsidiary is quite simple and will be established as soon as the details of the joint research are finalized. ■ Negotiations are underway to obtain state government grants. 	<ul style="list-style-type: none"> ■ Data from 8 clinical trial subjects are being analyzed, with the aim of submitting an application by the end of 2024. <p>Overseas</p> <ul style="list-style-type: none"> ■ Negotiations with joint research partners underway (highest priority) ■ Subsidiary established ■ Application to obtain state government grants 	<ul style="list-style-type: none"> ■ We will apply for conditional approval by the end of 2024, at the latest. → Aim to obtain approval with a conditional approval in 2025. <p>Overseas</p> <ul style="list-style-type: none"> ■ News release as soon as joint research partners is determined. ■ February 2025: Results of state grant application
	<ul style="list-style-type: none"> ■ DCM (Dilated cardiomyopathy) • Recruiting already finished, but due to the coronavirus outbreak, transplant not underway. 	<ul style="list-style-type: none"> ■ First transplant conducted in May 	<ul style="list-style-type: none"> ■ Additional 3 transplants pending
Catheter	<ul style="list-style-type: none"> ■ Experiments on large animals conducted 	<ul style="list-style-type: none"> ■ See left 	<ul style="list-style-type: none"> ■ Clinical trials to start in 2025 → Consultation with PMDA during 2024.
Regeneration inducing factor	<ul style="list-style-type: none"> ■ Collaborative research with various universities. 	<ul style="list-style-type: none"> ■ See left 	--
Serum	<ul style="list-style-type: none"> ■ Establish subsidiary 	<ul style="list-style-type: none"> ■ Developing products to offer to clinics and cosmetics companies. Developing new customers. Started trial production of some of the products. 	<ul style="list-style-type: none"> ■ Make product available by October 2024

Thank you for your attention

If you have any additional questions, please contact the following:

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Disclaimer

- This report contains forward-looking statements. These statements are based on assumptions about future events and trends as of the date they are made, and there can be no assurance that such assumptions will prove accurate. Such statements are not guarantees of future performance and involve risks and uncertainties. Actual results may differ materially from those discussed in the forward-looking statements as a result of changes in the business 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 in this report is subject to change without notice.