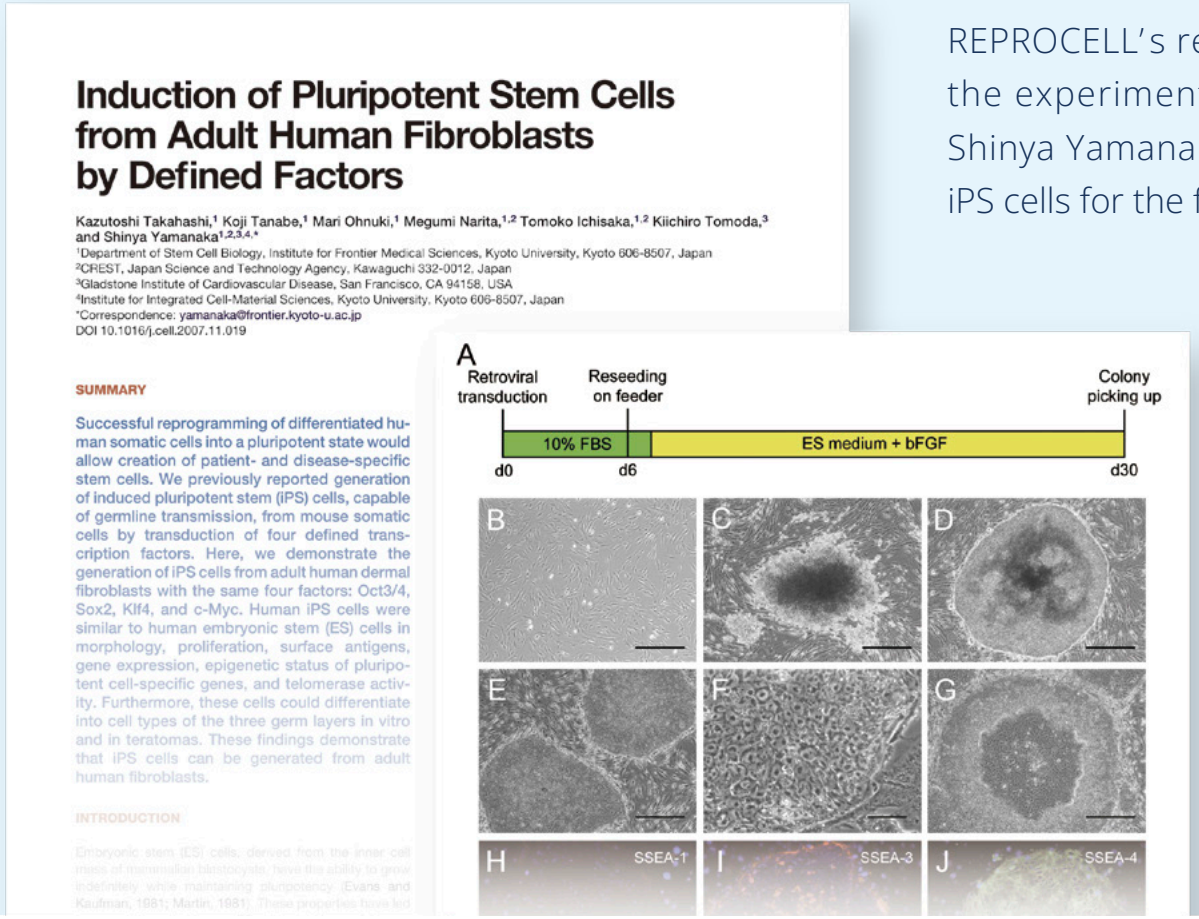
REPROCELL Inc. (Securities Code: 4978)

Financial Results Briefing for the Fiscal Year Ended March 2026

June 8, 2026

A regenerative medicine company with cutting-edge iPS cell technology

Research reagent business



Induction of Pluripotent Stem Cells from Adult Human Fibroblasts by Defined Factors

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DOI 10.1016/j.cell.2007.11.019

SUMMARY

Successful reprogramming of differentiated human somatic cells into a pluripotent state would allow creation of patient- and disease-specific stem cells. We previously reported generation of induced pluripotent stem (iPS) cells, capable of germline transmission, from mouse somatic cells by transduction of four defined transcription factors. Here, we demonstrate the generation of iPS cells from adult human dermal fibroblasts with the same four factors: Oct3/4, Sox2, Klf4, and c-Myc. Human iPS cells were similar to human embryonic stem (ES) cells in morphology, proliferation, surface antigens, gene expression, epigenetic status of pluripotent cell-specific genes, and telomerase activity. Furthermore, these cells could differentiate into cell types of the three germ layers in vitro and in teratomas. These findings demonstrate that iPS cells can be generated from adult human fibroblasts.

INTRODUCTION

Embryonic stem (ES) cells, derived from the inner cell mass of mammalian blastocysts, have the ability to grow indefinitely while maintaining pluripotency (Evans and Kaufman, 1981; Martin, 1981). These properties have led

REPROCELL's reagents were used in the experiment in which Professor Shinya Yamanaka generated human iPS cells for the first time in the world.

Culture media for iPS cells

3rd-Gen Reprogramming kit

Source: Takahashi, K., Tanabe, K., Ohnuki, M., Narita, M., Ichisaka, T., Tomoda, K., & Yamanaka, S. (2007). Induction of pluripotent stem cells from adult human fibroblasts by defined factors. Cell, 131(5), 861–872. https://doi.org/10.1016/j.cell.2007.11.019

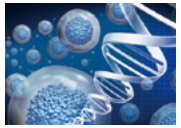
About iPS Cells

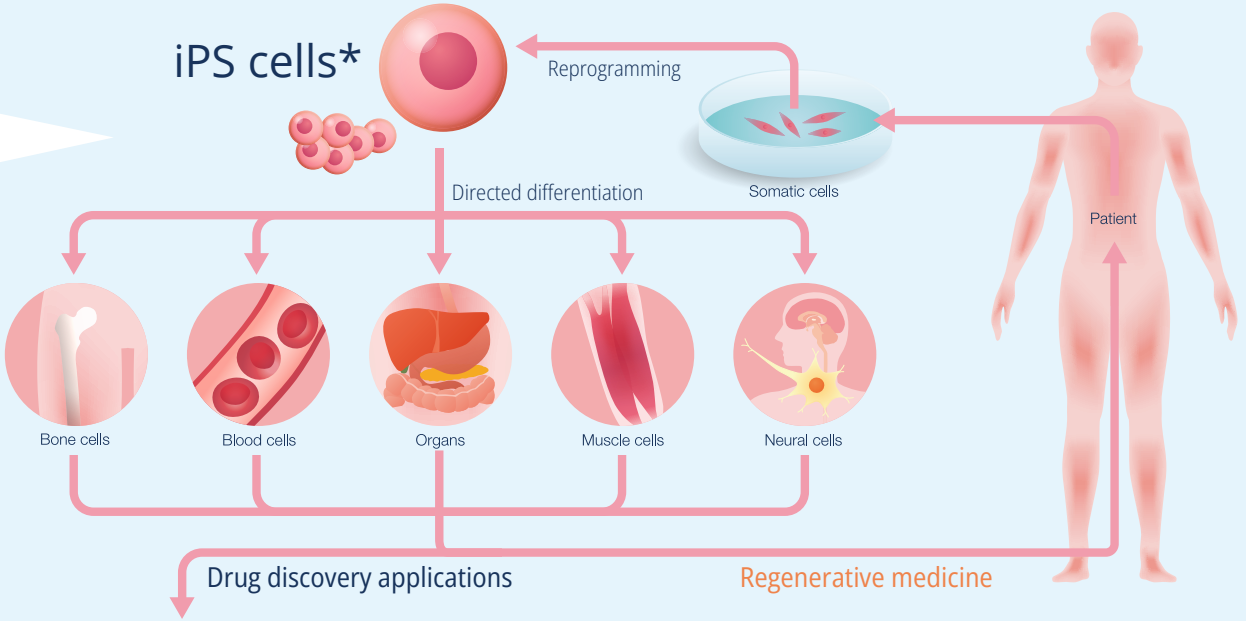
In March 2026, two iPS cell-based regenerative medicine products for severe heart failure and Parkinson's disease received conditional and time-limited marketing approval for the first time, demonstrating progress toward the practical application of Japan-originated iPS cell-based regenerative medicine.

In 2007, Professor Shinya Yamanaka established human iPS cells for the first time in the world.

(2012 Nobel Prize in Physiology or Medicine)

iPS cells have the distinctive ability to change, or differentiate, into various cell types and are often called "pluripotent cells." Research and development in regenerative medicine using various cells produced from iPS cells is advancing worldwide.

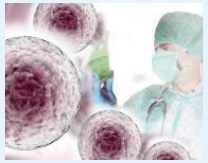




*The Company has entered into a patent license agreement with iPS Academia Japan, Inc. for a non-exclusive license to manufacture and sell human iPS cell-derived differentiated cells and to provide various contract services until the expiration of the patent rights.

Research Support Business

- Research reagents
- Contract services
- Cell supply
- Research equipment



Medical Business

- Regenerative medicine
- Personal iPS
- Clinical-grade iPS cells
- Clinical testing

iPS Cell Technology Platform and Business Segments

Based on its iPS cell technology platform, the Company operates two businesses: Research Support and Medical.

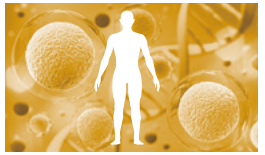
Research support

Research reagents and cells; contract services; research equipment



Medical

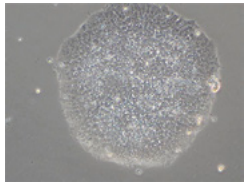
Regenerative medicine; clinical-grade iPS cells; clinical testing



iPS cell technology platform

- Drug response testing
- Genome editing
- Three-dimensional tissue

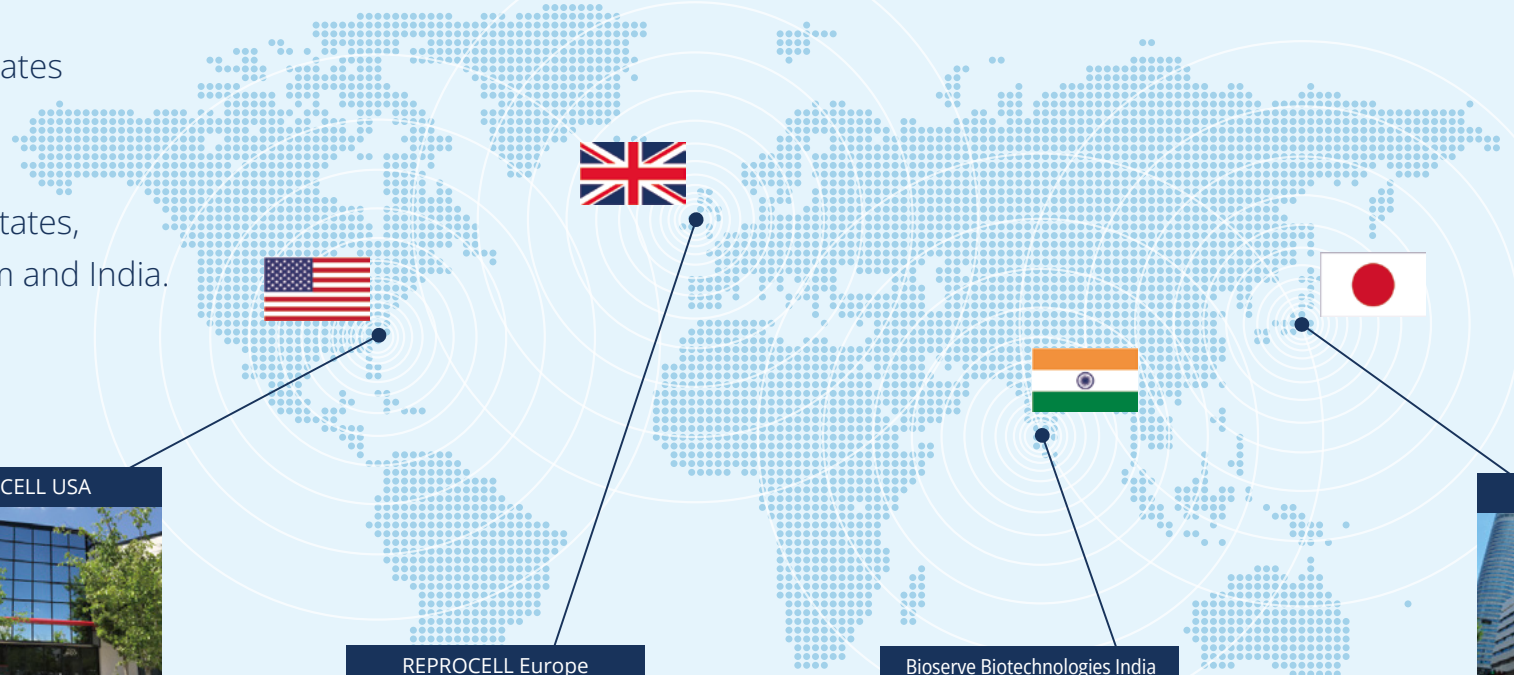
iPS cell technology

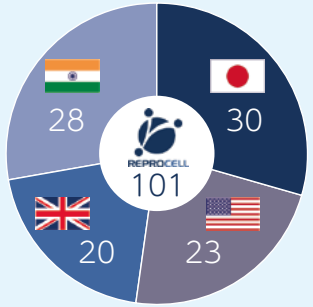


- Biobank
- Cell supply
- Directed differentiation

About iPS CelGlobal business locationsls

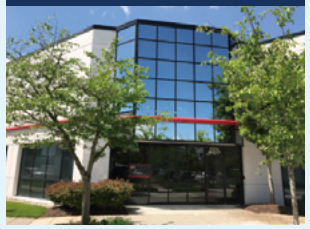
The Company operates globally from four locations in Japan, the United States, the United Kingdom and India.





Workforce composition as of the end of March 2026

REPROCELL USA

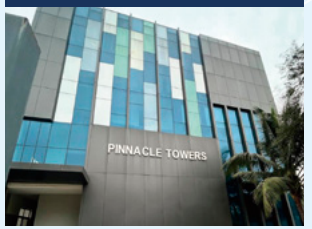


United States / Maryland

REPROCELL Europe

United Kingdom / Glasgow

Bioserve Biotechnologies India



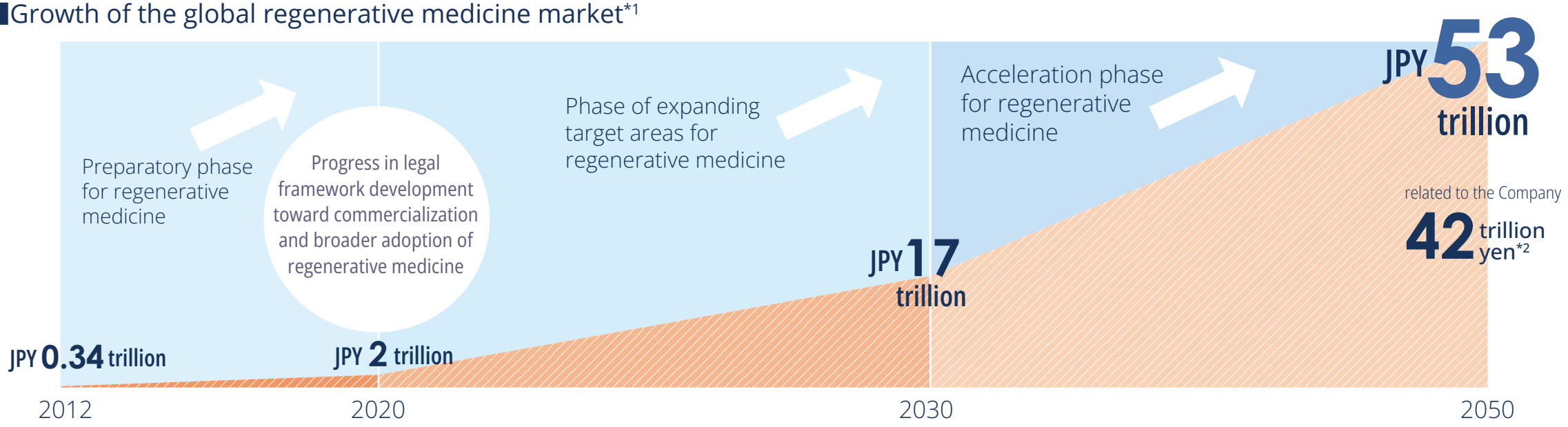
India / Hyderabad

REPROCELL Inc.

Head Office / Shin-Yokohama

Global market size for regenerative medicine

■Growth of the global regenerative medicine market*1



Source *1: Ministry of Economy, Trade and Industry, "Final Report of the Study Group on Commercialization and Industrialization of Regenerative Medicine"
*2: FY2012 SME Support Survey Report (survey operations related to commercialization and industrialization of regenerative medicine, etc.)

■Long-term vision of the REPROCELL Group

Expansion and global rollout of the iPS cell business

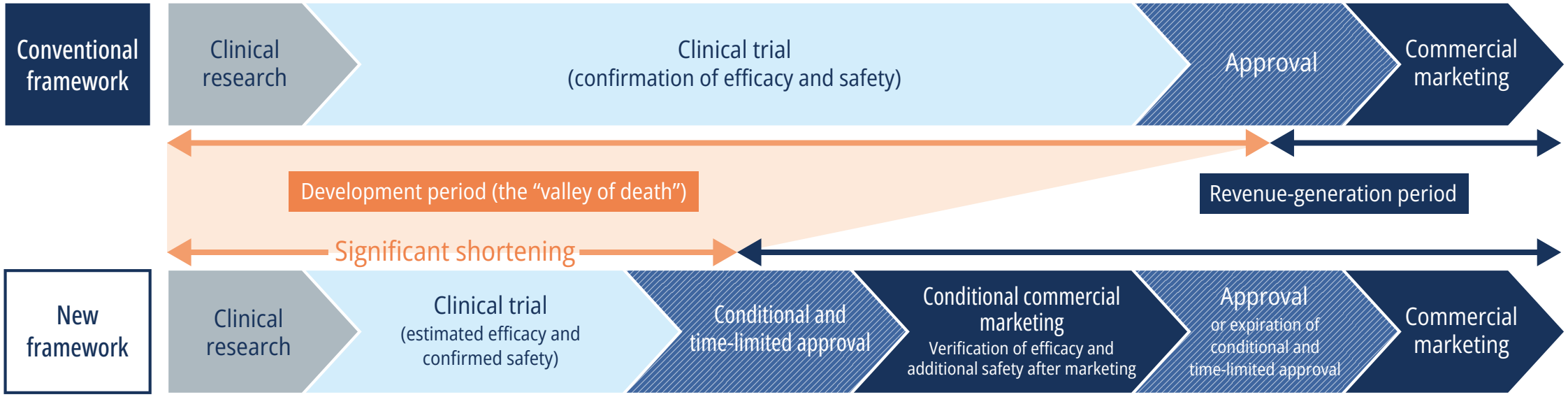
Launch of regenerative medicine business and acceleration of the iPS cell business

Lead the market as the world's No. 1 company in regenerative medicine

Regenerative medicine-related legislation in Japan

Under the amended Pharmaceutical Affairs Act, which came into effect in November 2014, a conditional and time-limited marketing approval system for regenerative medicine products was introduced. Under this system, regenerative medicine products, including cell-based pharmaceuticals, may be marketed conditionally by obtaining conditional and time-limited approval, significantly shortening the "valley of death" until monetization.

■Approval system supporting the practical application of regenerative medicine products (conditional and time-limited approval)

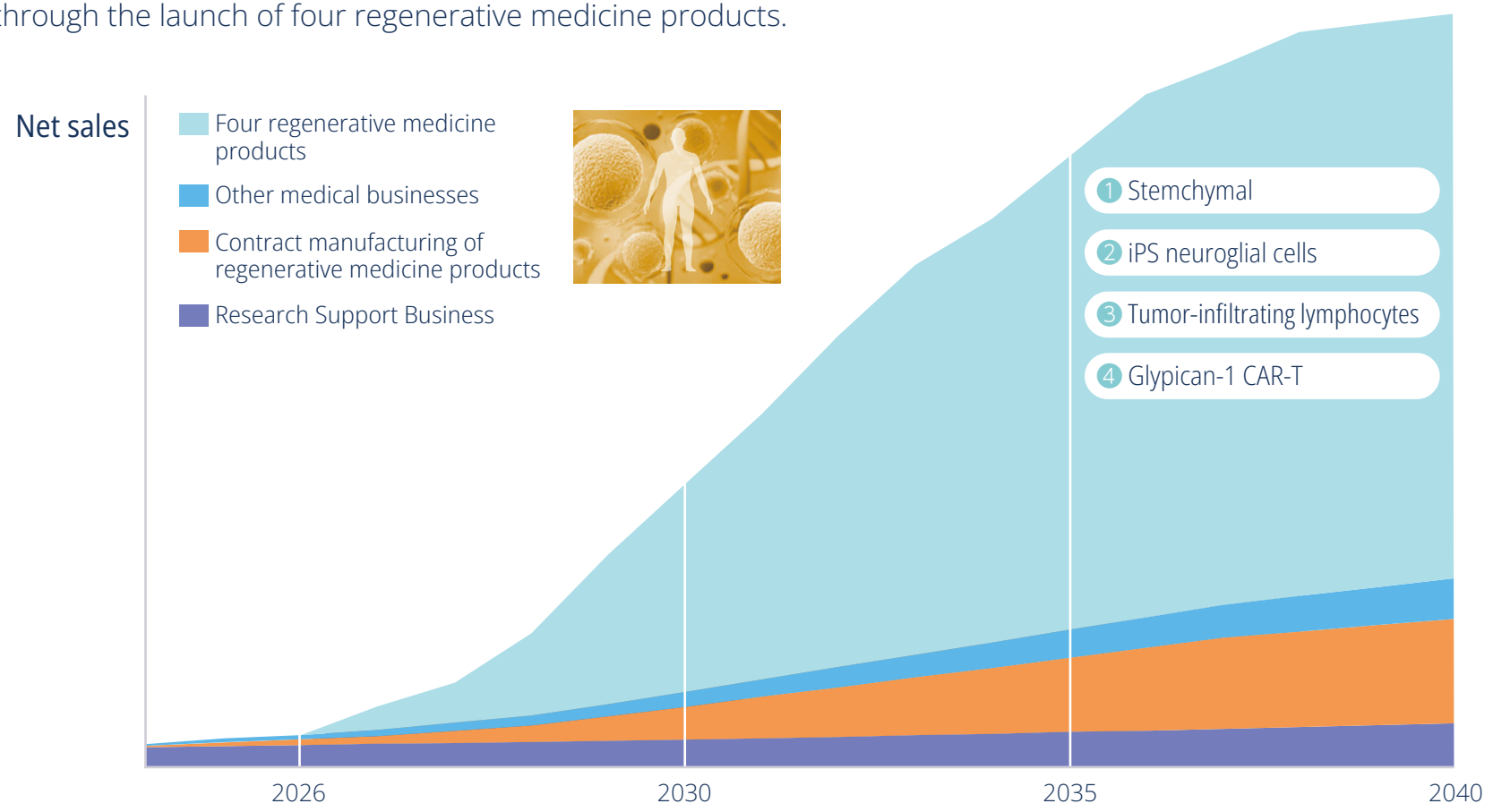


March 2024, notification by the Ministry of Health, Labour and Welfare
1. Guidance on conditional and time-limited approval of regenerative medicine products and formulation of subsequent efficacy evaluation plans
2. Evaluation indicators for conditional and time-limited approval of human cell-processed products using human-derived mesenchymal stem cells or mesenchymal stromal cells as raw materials and subsequent efficacy evaluation plans

*Prepared by the Company based on the Ministry of Health, Labour and Welfare's "Overview of the Act Partially Amending the Pharmaceutical Affairs Act"

Medium- to Long-Term Growth Image

The Company aims to secure stable revenue from the Research Support Business and contract manufacturing of regenerative medicine products, and to achieve significant growth through the launch of four regenerative medicine products.



Research Support Business

Through four global locations, the Company provides academia and pharmaceutical companies with a comprehensive offering of research products, contract research services and research equipment.

Research reagents and cell products

- iPS Research Reagents
- Biospecimens / Biological Samples
- iPS Cells
- Research Consumables
- Growth Factors & Cytokines

Contract research services

- Disease-Specific iPS Cells
- Pharmacology and Efficacy Testing
- Gene Editing
- Genetic Analysis
- iPS-Derived Differentiated Cells
- Neoantigen Identification

Research equipment

- Electrophysiological Assays
- Live Cell Imaging
- Large-Scale Sample Management System
- Microbiological Testing

Global Expansion and Growth Areas

The Company is developing its Research Support Business in line with demand trends in each region while promoting cross-selling across locations.

REPROCELL Europe

The business is centered on pharmacological efficacy testing using human tissue procured through its proprietary network of medical institutions. Major pharmaceutical companies in Japan, Europe and the United States are key customers.

REPROCELL USA

The United States leads the world in iPS cell research, and the market is expanding. The business focuses mainly on reagents, equipment and biospecimens.

Bioreactor Systems

iPS cell-relatedreagents (Stemgent brand)

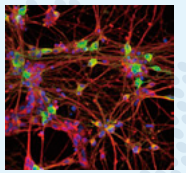
Biospecimens (biobank)

Bioserve Biotechnologies India

The business is centered on nucleic acid reagents and genomic analysis services. The Company is expanding its product and service offerings in anticipation of future growth.

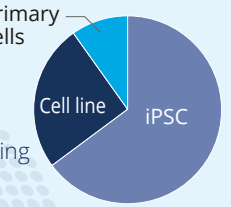
REPROCELL Japan

The business is centered on iPS cell research reagents and contract services
(iPS cell generation, directed differentiation and genome editing)
Primary cells

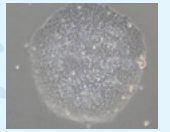


iPSC-derived neurons

Extensive genome-editing track record



Independently developed high-demand HLA knockout iPS cells and added them to the product lineup



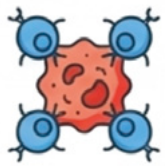
Regenerative Medicine Product Pipeline

1 Stemchymal

Type: adipose-derived mesenchymal stem cells;
target disease: spinocerebellar ataxia
Status: Phase II clinical trial completed;
preparing for regulatory approval application

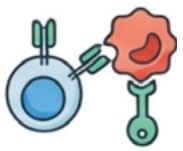
2 iPS neuroglial cells

Type: iPS cell-derived neuroglial cells;
target disease: ALS
Status: clinical trial preparation stage



3 Tumor-infiltrating lymphocytes (TIL) therapy

Type: adoptive immunotherapy
Target disease: solid tumors including cervical cancer
Status: clinical research underway under Advanced Medical Care B



4 GPC1 CAR-T cell therapy

Type: genetically modified T-cell therapy;
target disease: solid tumors including esophageal cancer;
Status: clinical trial preparation stage

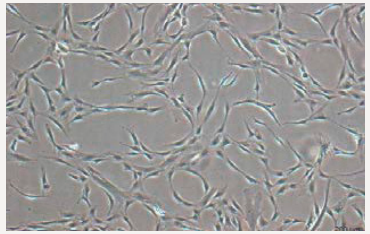
Progress of the Regenerative Medicine Product Pipeline

			Research	Preclinical	Clinical trials	Approval
Neurological diseases	❶ Adipose-derived mesenchymal stem cells (Stemchymal)	Spinocerebellar ataxia				
			Phase II clinical trial completed; preparing for regulatory approval application.			
	❷ iPS neuroglial cells	ALS				
			Efficacy confirmed in animal studies; clinical trial preparation stage.			
Cancer	❸ Tumor-infiltrating lymphocyte infusion therapy (TIL)	Solid tumors including cervical cancer				
			Clinical research underway under Advanced Medical Care B (Keio University).			
	❹ Glypican-1 CAR-T cells (GPC1 CAR-T)	Solid tumors including esophageal cancer				
			Selected for AMED's "Program for Technological Infrastructure for Industrialization of Regenerative Medicine and Gene Therapy"; clinical trial preparation stage.			

① Features and Administration Method of Stemchymal

Preparing for regulatory approval application

Adipose tissue-derived mesenchymal stem cells



Paracrine effect	Release of growth factors and cytokines
Immunomodulation	Anti-inflammatory effect
Differentiation potential	Repair of damaged tissues through differentiation

Two Japanese patents related to Stemchymal have been granted

- Composition for the treatment of polyglutamine disease (Patent No. 7406251)
- Treatment of polyglutamine disease (Patent No. 7462974)

Steminent has been accredited by the Minister of Health, Labour and Welfare as a foreign manufacturer of regenerative medicine products.

The cell suspension is diluted in saline and administered intravenously.

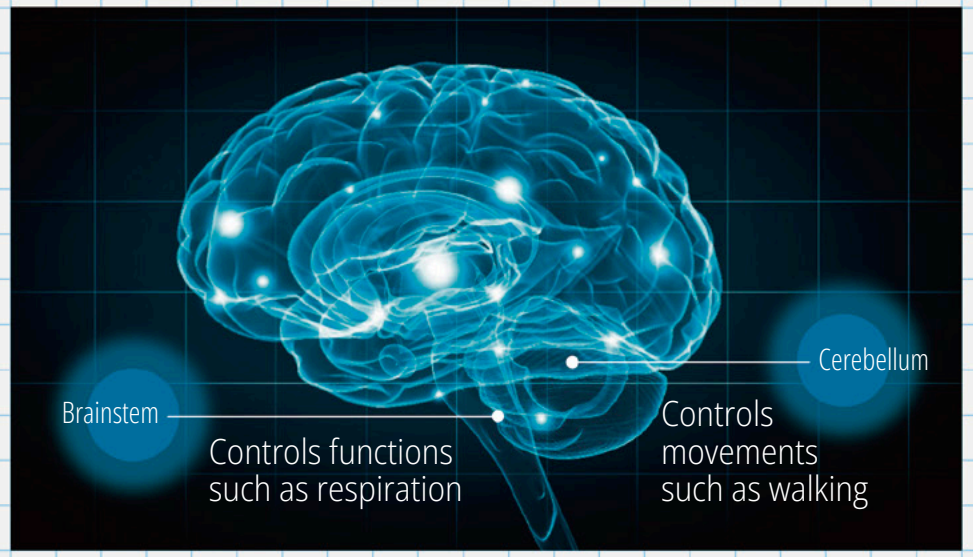
Cryobag

① Target Disease for Stemchymal

Spinocerebellar ataxia

Spinocerebellar ataxia is a disease of unknown cause in which nerve cells in the cerebellum, brainstem and spinal cord degenerate, gradually causing ataxia such as gait disturbance (staggering or inability to walk straight), dysphagia (difficulty swallowing food) and speech disturbance (slurred speech), resulting in difficulties in daily living.

The number of patients in Japan is approximately 30,000.It is a rare disease affecting approximately one in 4,000 people, and is known to occur across a wide age range from around 20 to around 60 years old.

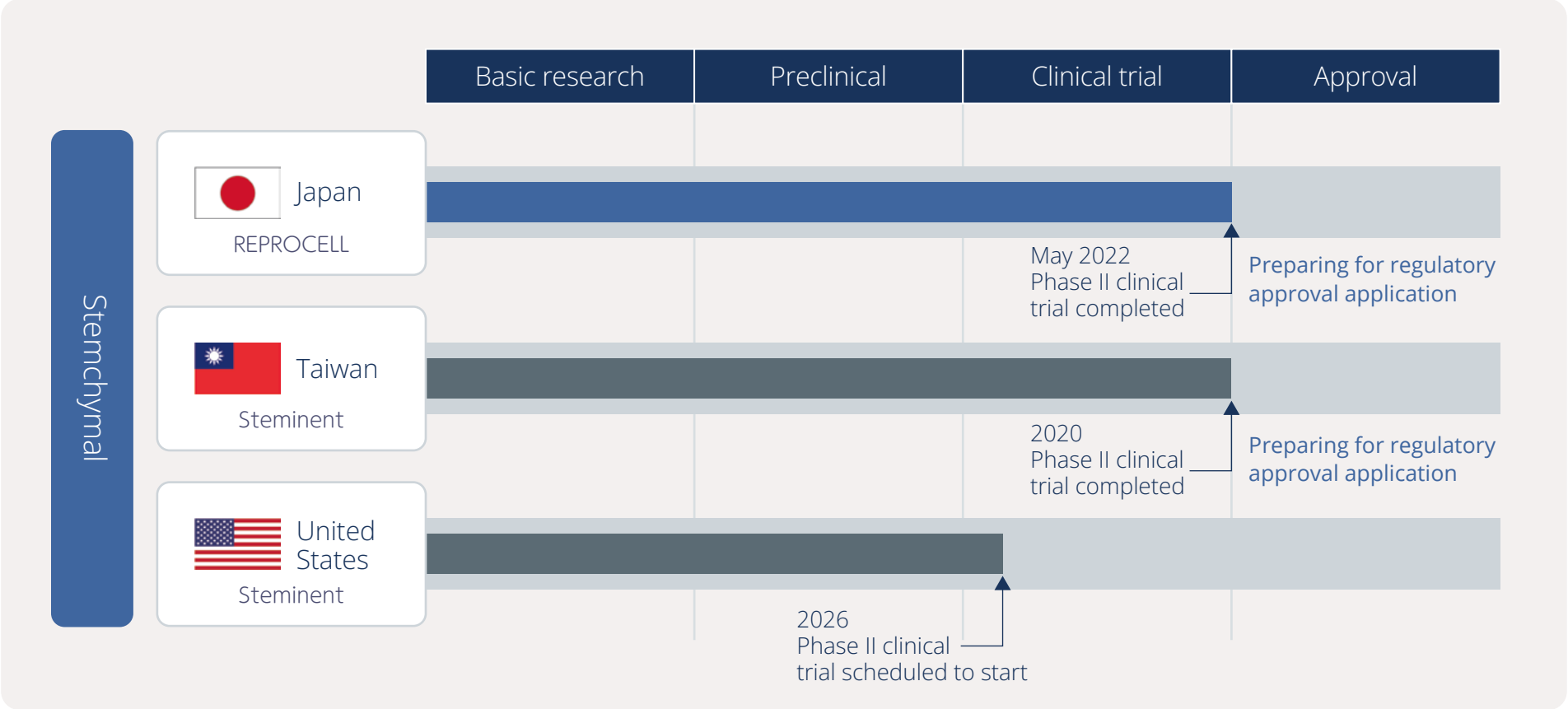


Annual domestic sales of existing drugs are approximately JPY 10 billion (2017 actual results*)

*Source: Mitsubishi Tanabe Pharma Corporation website

① Progress of Clinical Trials for Stemchymal

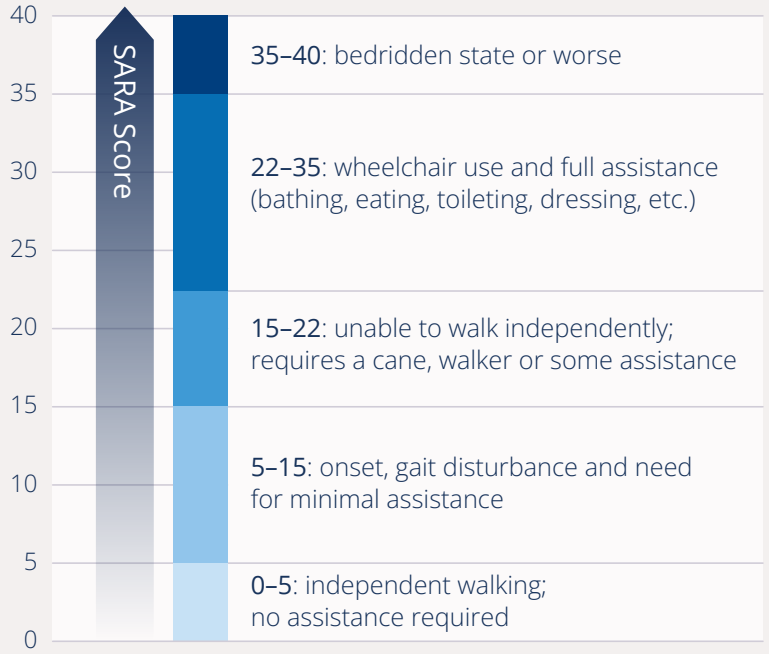
Phase II clinical trials have been completed in Japan and Taiwan, and the Company is currently preparing regulatory approval applications in each country. In the United States, a Phase II clinical trial is scheduled to start in FY2026.



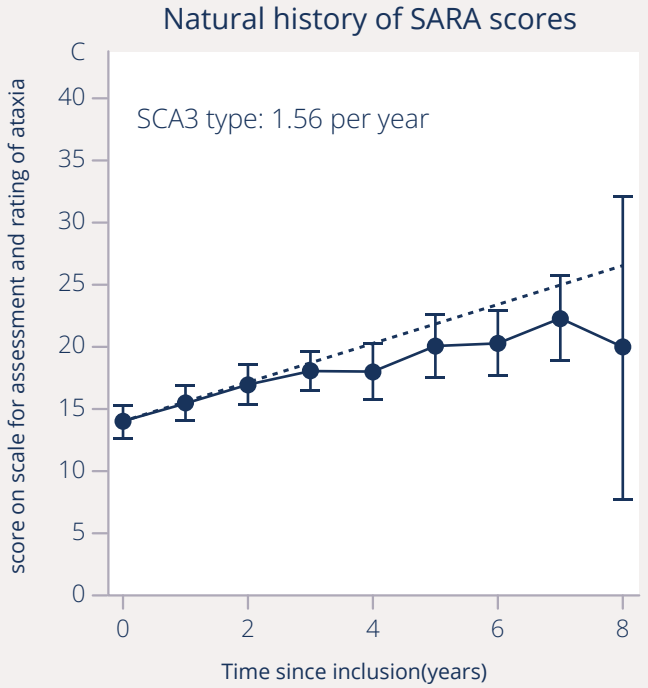
① Features and Administration Method of Stemchymal

As symptoms progress, independent walking becomes difficult, and patients ultimately become bedridden and require nursing care. At present, there are no effective therapies to suppress symptom progression and no established treatment. The ability to slow the progression of clinical symptoms is considered highly meaningful.

SARA assessment items
Gait
Stance
Sitting
Speech disturbance
Finger-chase test
Nose-finger test
Fast alternating hand movements
Heel-shin slide test



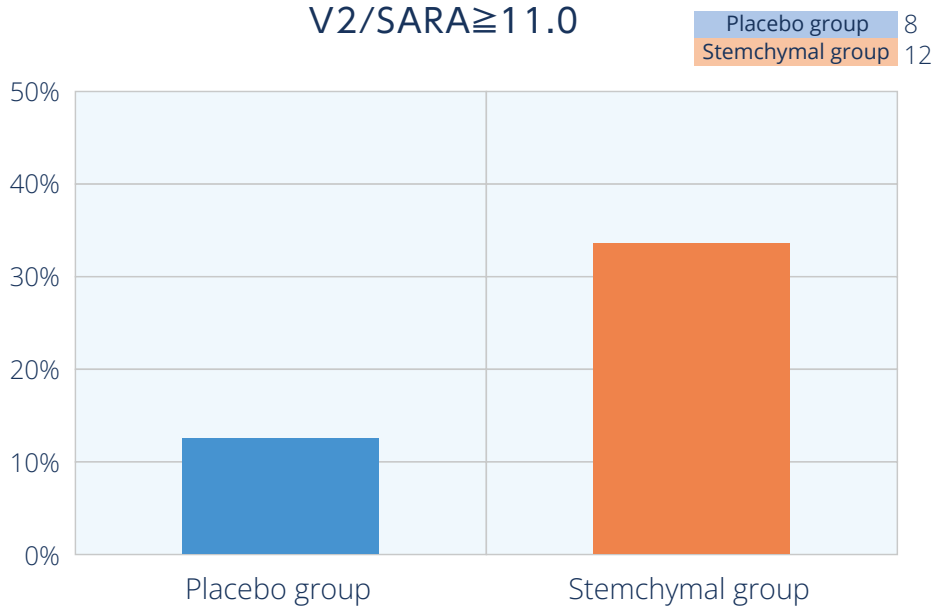
Schmitz-Hübsch, T et al. Neurology vol. 66,11 (2006): 1717-20.
Kim, Bo-Ram et al. Annals of rehabilitation medicine vol. 35,6 (2011): 772-80.



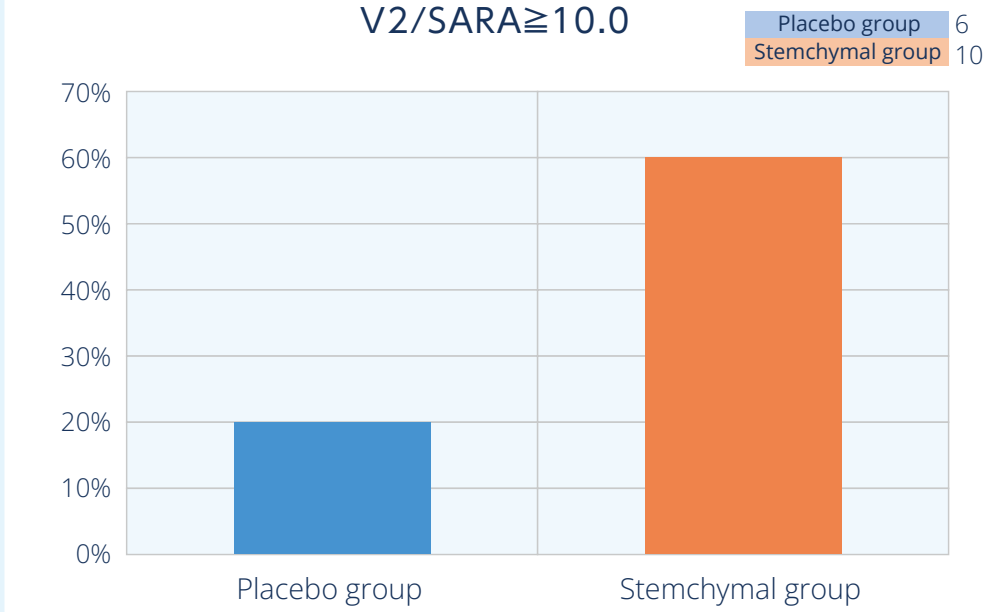
Jacobi H, du Montcel ST, Bauer P, et al. Lancet Neurol.2015;14(11):1101-1108.

① Percentage of Patients with Improved SARA Scores

Japan data



Taiwan data

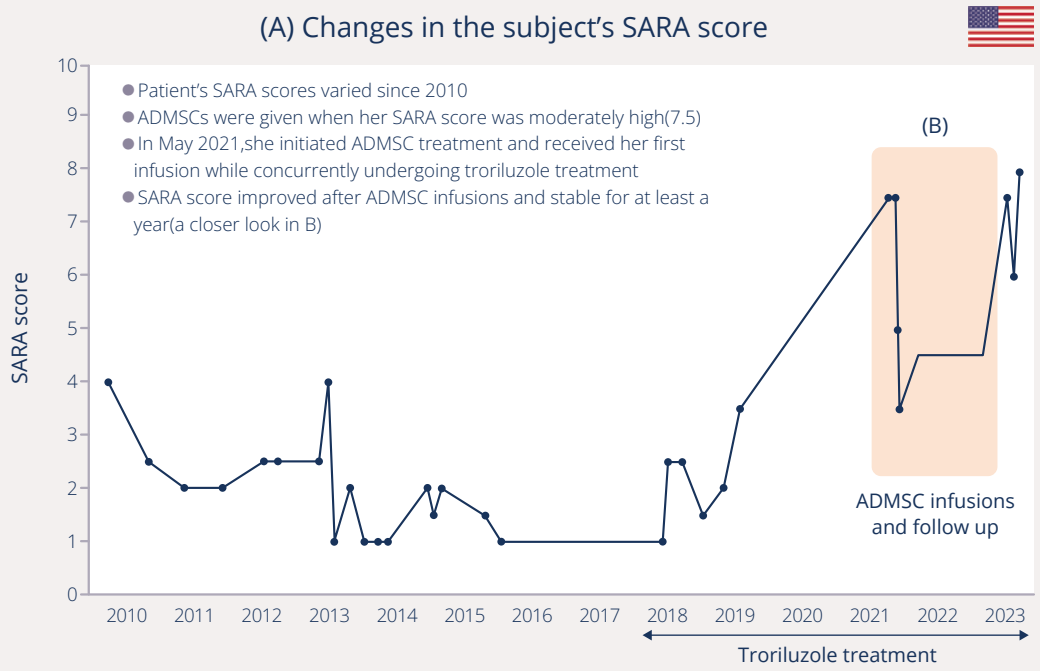


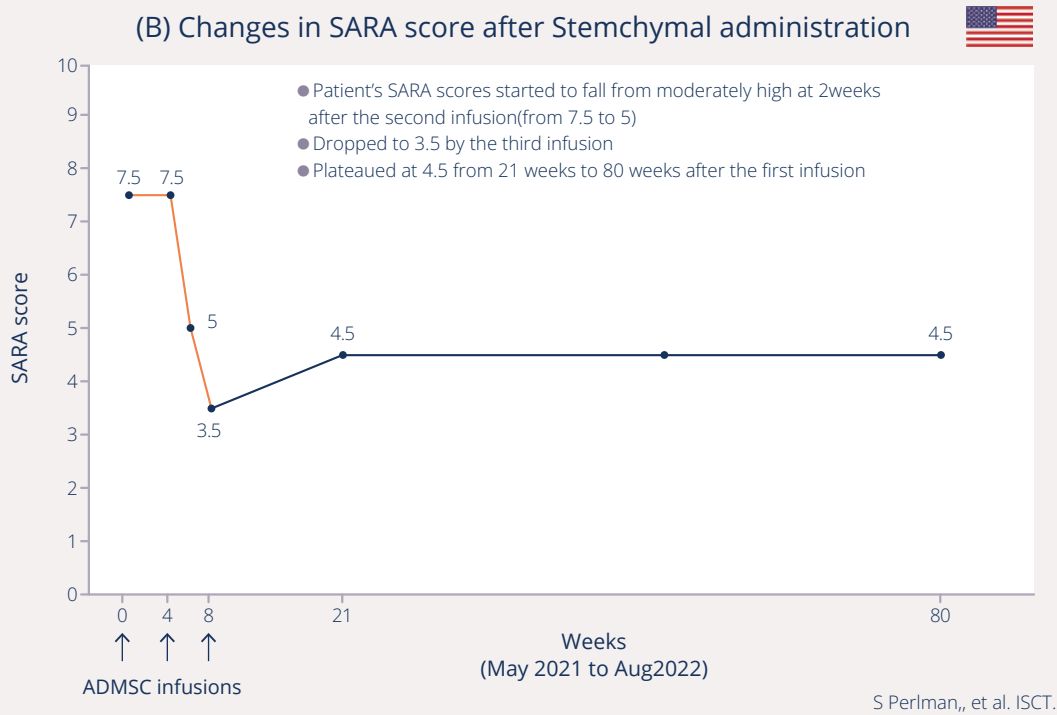
*Taiwan: SCA3 only

Percentage of patients with improved SARA scores
the percentage of patients whose SARA score improved one year after administration compared with before administration (negative change in SARA score).

① Long-Term Observation Results for Stemchymal in a U.S. Clinical Study

- Presented in May 2025 at the International Society for Cell & Gene Therapy (ISCT) by Professor Susan Perlman of UCLA Clinical Neurology.
- A long-term observational study was conducted after Stemchymal administration to one SCA3 patient (three administrations every four weeks, as in the Japan and Taiwan trials).
- After Stemchymal administration, the SARA score improved from 7.5 to 3.5 and then remained stable for approximately 18 months, suggesting improvement in motor function and long-term stability with this therapy.





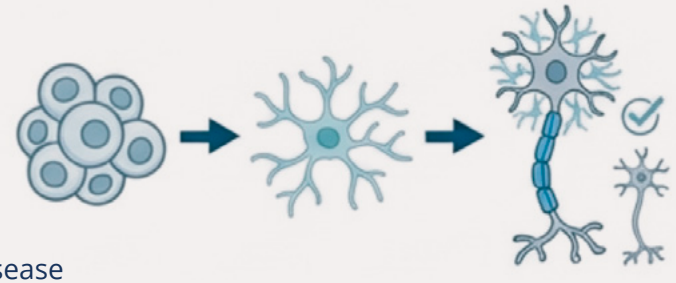
S Perlman,, et al. ISCT. 2025

② Overview of iPS Neuroglial Cells

Clinical trial preparation stage

Leveraging the Company’ s cutting-edge iPS cell technology, REPROCELL is advancing research and development of iPS neuroglial cells for the treatment of ALS.

iPS neuroglial cells



Target disease
Amyotrophic lateral sclerosis (ALS).
A designated intractable disease with extremely rapid progression and no established effective treatment.

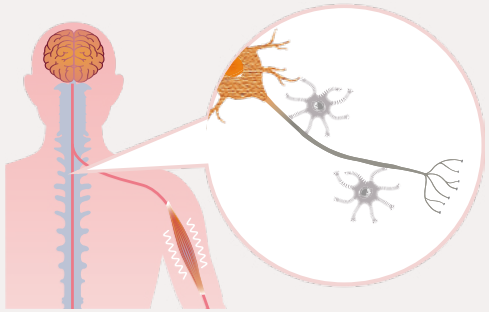
Mechanism of action
Transplantation of neuroglial cells generated from iPS cells suppresses motor neuron cell death and protects function.

Evidence
transplantation into ALS model rats confirmed improvement in motor function and maintenance of motor neuron survival.

Amyotrophic lateral sclerosis (ALS)

ALS is a disease in which the nervous system responsible for moving the body (motor nerves) degenerates. As a result, commands from the brain such as “move the muscles” are no longer transmitted, and muscles atrophy. Because only motor nerves degenerate, consciousness and the five senses remain normal and intellectual function does not decline. Although the disease progresses extremely rapidly, no effective treatment has been established. In Japan, it is designated as an intractable disease.

The late Dr. Stephen Hawking



Number of patients

United States
Approximately 30,000 patients

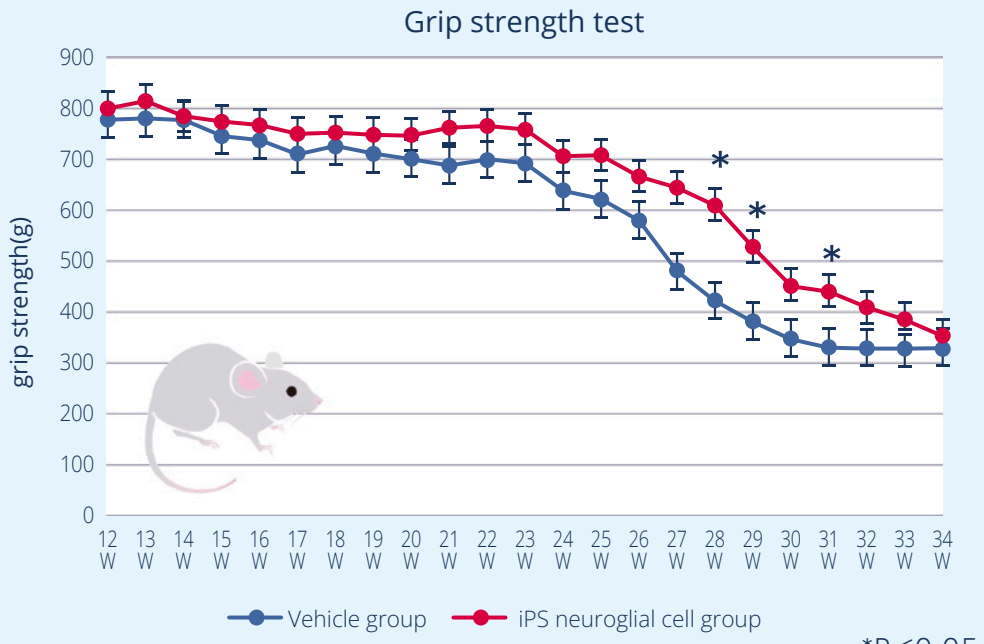
Japan
Approximately 10,000 patients

Source: Prepared by the Company based on the websites of the Intractable Disease Information Center and NIH.

② Transplantation Experiment of iPS Neuroglial Cells in ALS Model Animals

In ALS model rats (SOD1 rats) that reproduce the pathology of ALS patients, motor neurons die, motor dysfunction occurs, and the animals ultimately die. In contrast, ALS model rats transplanted with iPS neuroglial cells showed improvement in motor function. It was also confirmed that motor neurons in the spinal cord of ALS model rats were maintained without cell death.

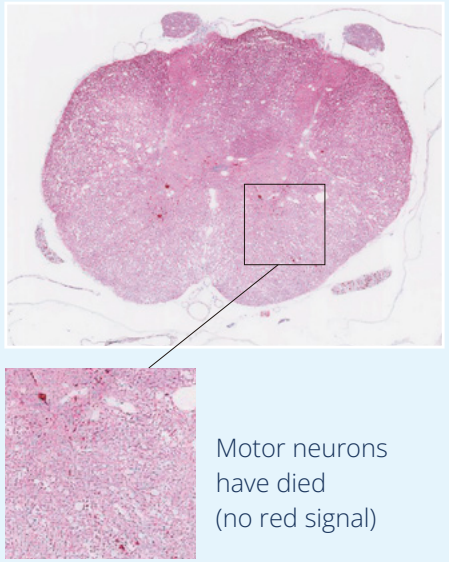
■ Suppression of decline in grip strength



*P<0.05

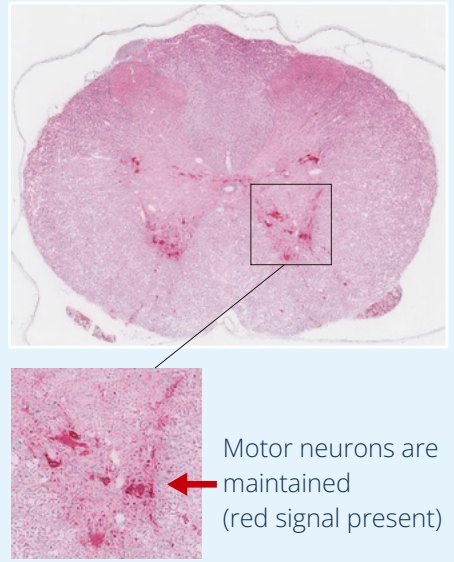
■ Maintenance of motor neuron survival in the spinal cord

Spinal cord of an ALS model rat transplanted with vehicle only



Motor neurons have died (no red signal)

Spinal cord of an ALS model rat transplanted with iPS neuroglial cells



Motor neurons are maintained (red signal present)

② Future Outlook for iPS Neuroglial Cells

In the future, the Company aims to expand applications beyond ALS and transverse myelitis tovarious neurodegenerative diseases.

U.S. statistical data for target diseases of iPS neuroglial cells*

	Prioritized for development initiation		Future development				
	ALS	Transverse myelitis	Spinal cord injury	Huntington's disease	Multiple sclerosis	Parkinson's disease	Alzheimer's disease
Number of patients (persons)	30,000	44,000	280,000	30,000	400,000	1,000,000	5,000,000
Annual incidence (persons)	5,600	1,700	12,000	1,500	10,400	—	—
Annual social burden	JPY 110 billion	JPY 120 billion	JPY 660 billion	—	JPY 660 billion	JPY 16 trillion	JPY 110 trillion

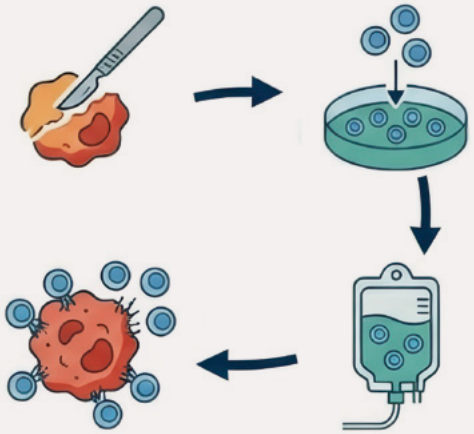
*Source: Prepared by the Company based on the websites of the National Institutes of Health (NIH), the Christopher & Dana Reeve Foundation Paralysis Resource Center and Q Therapeutics.

③ Tumor-Infiltrating Lymphocyte (TIL) Infusion Therapy

Clinical research is underway under Advanced Medical Care B

Tumor-infiltrating lymphocyte (TIL) infusion therapy is an adoptive immunotherapy in which infiltrating lymphocytes contained in tumor tissue collected from the patient are rapidly expanded ex vivo and returned to the patient. Keio University has received approval as advanced medical care for "tumor-infiltrating lymphocyte infusion therapy for cervical cancer."
In November 2024, cells manufactured by the Company were administered under Advanced Medical Care B, and the Company is currently continuing administration to target patients and the manufacturing and supply of TILs in accordance with the implementation plan.

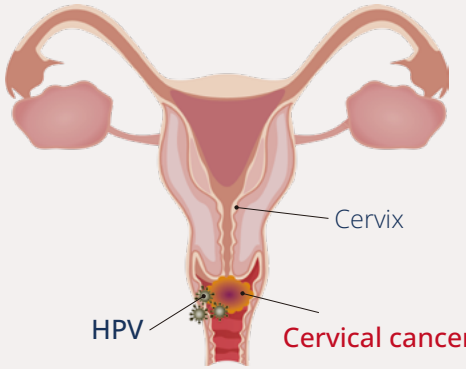
Tumor-infiltrating lymphocytes (TIL) therapy



Target disease
Solid tumors including cervical cancer.

Mechanism of action
Lymphocytes are extracted from the patient's own tumor tissue, expanded ex vivo at large scale, and returned to the body to attack cancer cells.

Cervical cancer



Number of patients

Japan
Approximately 10,000

Cervical cancer develops in the cervix, near the opening of the uterus, and most cases are caused by infection with human papillomavirus (HPV). The disease has recently been increasing among women in their 20s and 30s, but no curative treatment has been established for advanced or recurrent cancer, creating a need for effective new therapies.

Source: Prepared by the Company based on the websites of the Intractable Disease Information Center and NIH.

③ Clinical Research on TIL Infusion Therapy

In February 2024, TIL therapy for metastatic melanoma was approved by the U.S. FDA as the first cell therapy for solid tumors.
The list price is USD 515,000.
Research results have also been reported for various solid tumors, and further expansion of target indications is expected.

Clinical research on TIL infusion therapy

Target disease	Authors	Year of publication	Institution	Number of subjects (persons)	Response rate (%)
Metastatic cervical cancer	Stevanović et al.[1]	2015	National Cancer Institute (USA)	9	**33**
Advanced cervical cancer	Jazaeri et al.[2]	2019	University of Texas (USA)	27	**44**
Advanced melanoma	Chesney et al.[3]	2022	Moffitt Cancer Center (USA)	153	**31**
	Rohaan et al.[4]	2022	Netherlands Cancer Institute (NLD)	84	**49**
Non-small cell lung cancer	Schoenfeld et al.[5]	2024	Memorial Sloan Kettering Cancer Center (USA)	28	**21**

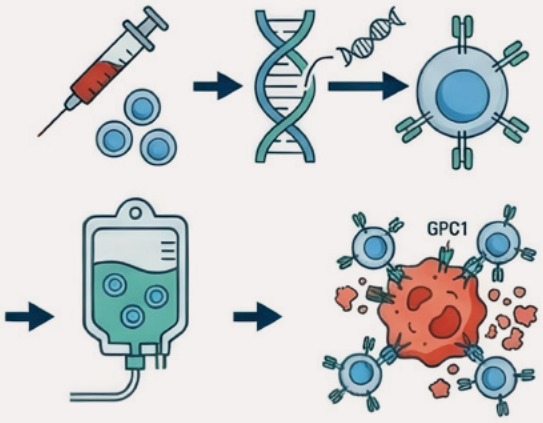
1. Stevanović et al. Journal of Clinical Oncology 2015;33(14):1543–1550. PMID: 25823737
2. ASCO 2019 abstract (NCT03108495)
3. Chesney et al. Journal for ImmunoTherapy of Cancer 2022;10:e005755. PMID: 36600653
4. Rohaan et al. New England Journal of Medicine 2022;387(23):2113–2125 PMID: 36477031
5. Schoenfeld et al. Cancer Discovery 2024;14(8):1389–1402. PMID: 38563600

④ Glypican-1 CAR-T Therapy

Clinical trial preparation stage

Anti-glypican-1 chimeric antigen receptor T-cell therapy is GPC1 CAR-T immunocell therapy in which a patient's own T cells (immune cells) are collected, genetically modified to recognize solid tumors, and then administered back to the patient as treatment.

GPC1 CAR-T cell therapy



Target disease

Solid tumors including esophageal cancer.

Mechanism of action

A gene that recognizes solid tumor-specific GPC1 is introduced into the patient's T cells. The modified T cells selectively attack cancer cells.

Indication

Conventional CAR-T therapy has demonstrated high therapeutic efficacy in hematological cancers such as leukemia and malignant lymphoma and has already been approved. However, in solid tumors, suitable CAR-T targets have not been clearly identified and therapeutic efficacy has not been demonstrated. GPC1 has therefore been newly identified as a CAR-T target for solid tumors. GPC1 is expressed in solid tumors such as squamous cell carcinoma and pancreatic cancer, while expression is not observed in normal adult tissues.

Cases and percentage in which GPC1 expression was confirmed on the cancer cell membrane

Esophageal cancer	98.8%	173/175
Cervical cancer	91.2%	62/68
Head and neck cancer	72.4%	118/163
Squamous cell lung cancer	100%	63/63
Pancreatic cancer	59.7%	111/186

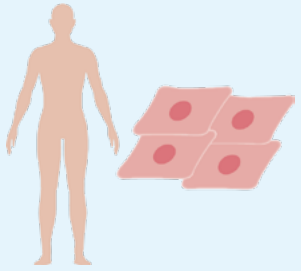
Sources: BJC 2016; 115: 66-75; Int J Cancer 2018; 142: 1056-66; BMC Cancer 2015; 15: 352; Transl Lung Cancer Res 2021; 10(2): 766-75; Cancer Medicine 2017; 6(6): 1181-91

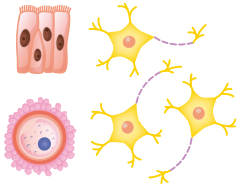
Research and development is being accelerated with support from AMED's public program, the "Program for Technological Infrastructure for Industrialization of Regenerative Medicine and Gene Therapy."
Joint development with the Department of Early Medical Development, Graduate School of Medicine, Kyoto University, and the Department of Immunology, School of Medicine, International University of Health and Welfare.

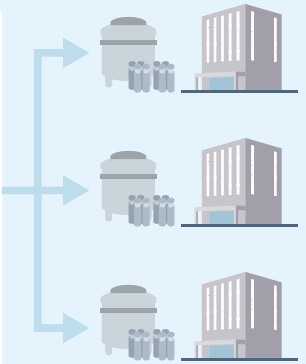
Contract manufacturing business for iPS cell-based regenerative medicine products

The Company has established an integrated structure capable of covering all processes from tissue collection through manufacturing of regenerative medicine products in compliance with Japanese, U.S. and European regulations*.

Tissue collection → RNA reprogramming → Genome editing OpenCRISPR1 → iPS cells Master cell bank → Regenerative medicine products (differentiated cells) → Commercial use







Compliant with Japan, U.S. and European regulations

These iPS cells were used by Gameto Inc. in the United States to obtain an IND from the FDA for a Phase III trial and were also registered in a U.S. DMF. In addition, the manufacture of master cell banks/working cell banks using these cells at Histocell, S.L. in Spain obtained GMP certification.

Manufacturing sites

- Tonomachi REPROCELL Regenerative Medicine Center
- GMP cell processing facility in Maryland, U.S.

〈Partner company〉

- Histocell, S.L. (Spain) GMP cell processing facility

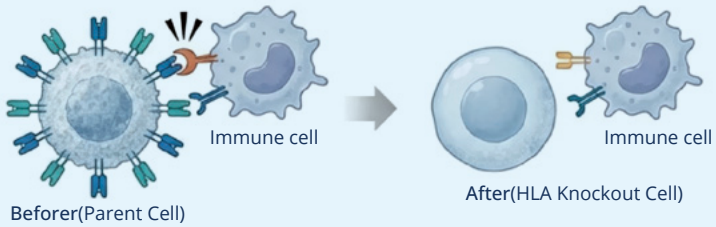
*The Company complies with regulations of the relevant regulatory authorities in each country/region: PMDA (Pharmaceuticals and Medical Devices Agency) in Japan, FDA in the United States and EMA in Europe.

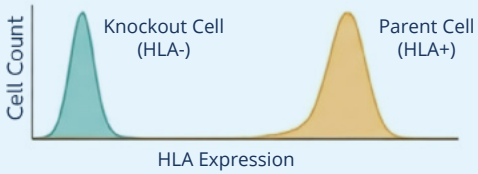
Clinical gene-editing service using AI-designed “OpenCRISPR-1™”

The Company has launched “StemEdit,” a clinical gene-editing service using AI-designed “OpenCRISPR-1™.”
Commercial use is possible, including clinical applications such as manufacturing of regenerative medicine products.

Features of StemEdit	Advantages
OpenCRISPR-1TM	AI-based design achieves accuracy beyond naturally occurring CRISPR systems.
High safety	Reduces off-target effects and enables safer clinical gene modification.
Advanced genome editing is possible	Enables advanced genome editing, including single-base substitutions and immune-evasion designs.
Applicable to commercial use for clinical applications	Commercial use is possible, including clinical applications such as regenerative medicine products.

HLA knockout technology to overcome immune rejection





Feature

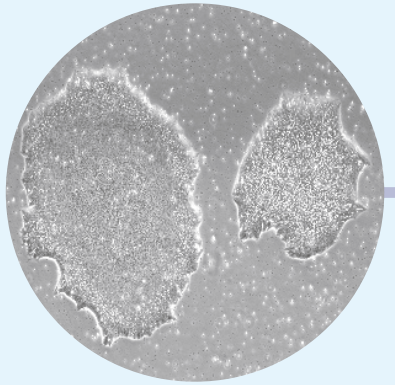
Using “OpenCRISPR-1™,” the Company succeeded in generating iPS cells in which HLA (immune type), a cause of immune rejection, was eliminated.

Advantage

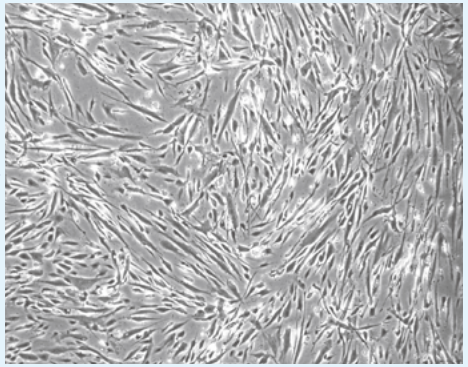
This technology serves as a foundational technology for “universal donor cells” that can be transplanted into any patient.

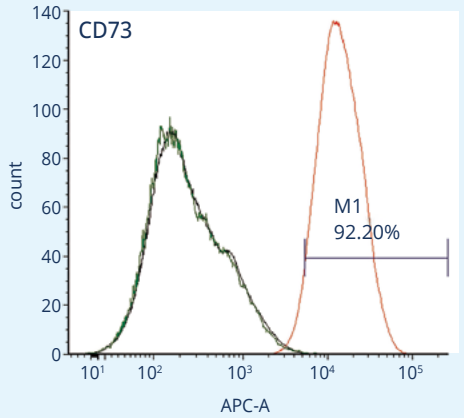
Directed differentiation from iPS cells into mesenchymal stem cells and hematopoietic stem cells

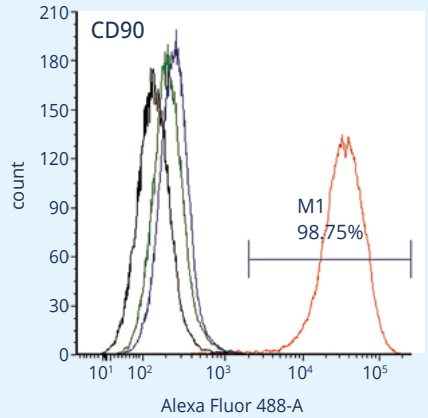
iPS cells



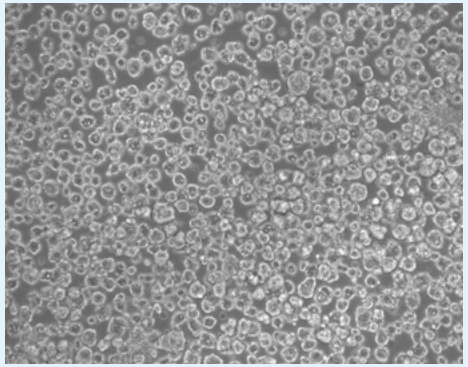
Mesenchymal stem cells

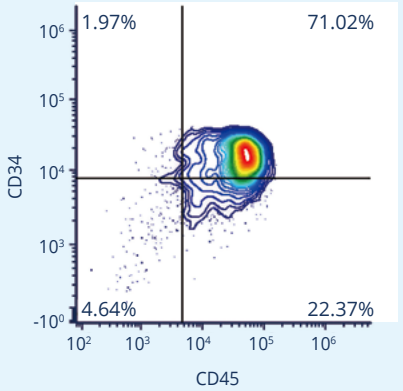






Hematopoietic stem cells





Cell manufacturing through GMP-compliant cell processing facilities at three sites in Japan, the U.S. and Europe

Competitive advantage: We have established an integrated structure from tissue collection through manufacturing of regenerative medicine products.

Tonomachi REPROCELL Regenerative Medicine Center

- **Licenses/permits**
  specified cell processing manufacturing permit
- **Applicable regulatory authority**
  PMDA
- **Role**
  domestic development and manufacturing site for regenerative medicine products

GMP cell processing facility in Maryland, U.S.

- **Licenses/permits**
  GMP-compliant
- **Applicable regulatory authority**
  FDA
- **Role**
  manufacturing site for global clinical trials and CDMO business

Expanded the GMP-compliant cell processing facility in April 2026

Partner company

Histocell, S.L. (Spain) GMP cell processing facility

- **Licenses/permits**
  GMP-compliant
- **Applicable regulatory authority**
  EMA (European Medicines Agency)
- **Role**
  manufacturing site for the global CDMO business, particularly for European customers

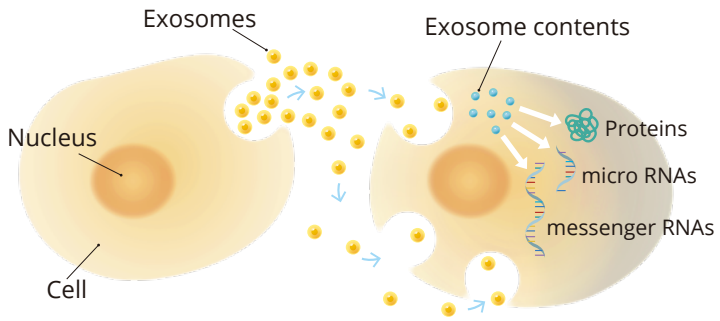
What are iPS exosomes?

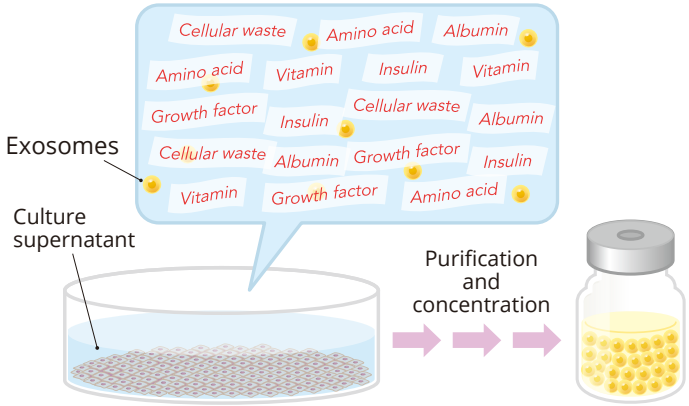
What are exosomes?

Cells secrete substances of various sizes. Among extracellular vesicles of approximately 50–5,000 nm secreted by cells, those measuring 50–150 nm are called exosomes. Exosomes contain nucleic acids, proteins and other components, and serve as mediators of intercellular communication by transmitting information between cells.

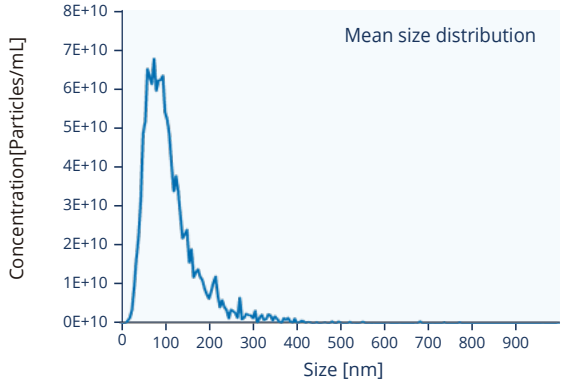
REPROCELL's iPS exosomes

The culture supernatant of iPS cells is purified multiple times to remove components other than exosomes. It is then further concentrated to achieve highly purified, high-concentration exosomes.





■ Mean size distribution of contained particles (measured by NanoSight)



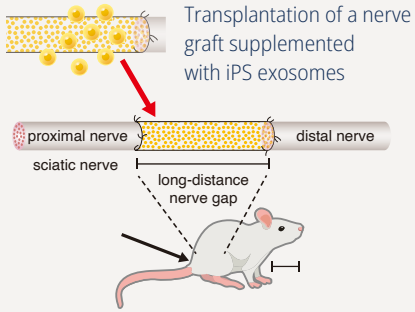
Research Cases Using iPS Exosomes [Publication Information]

Nerve defect

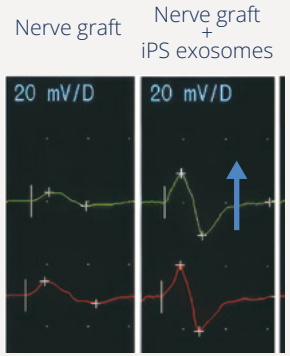
Impact on motor function

Studies have reported the use of nerve grafts supplemented with iPS exosomes for severe peripheral nerve defects. The publications suggest that iPS exosomes promote Schwann cell proliferation and support axonal reconstruction and myelin formation. As a result, even in long-distance nerve defects, walking function and muscle tension showed a tendency to recover to levels close to those achieved with autologous nerve grafts.

Approach to long-distance peripheral nerve defects (15mm)



Confirmation of nerve conduction by electrophysiological assessment



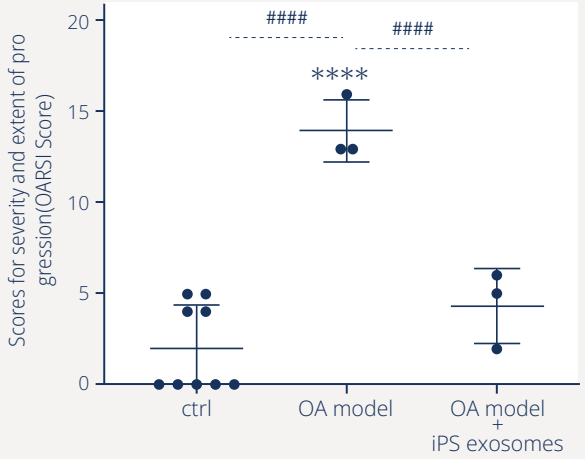
With exosome supplementation the waveform is restored

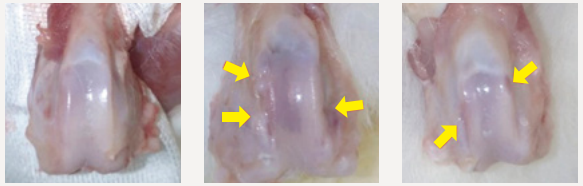
Adapted in part from Pan J, et al. Bioactive Materials 15 (2022) 272-287.

Osteoarthritis (OA)

Effect on osteoarthritis (OA)

Osteoarthritis (OA) is a disease in which articular cartilage deteriorates and inflammation occurs. A publication reported that administration of iPS exosomes to OA model rabbits promoted chondrocyte proliferation, suppressed senescence and inflammation, and prevented cell death.





ctrl　OA model　OA model + iPS exosomes

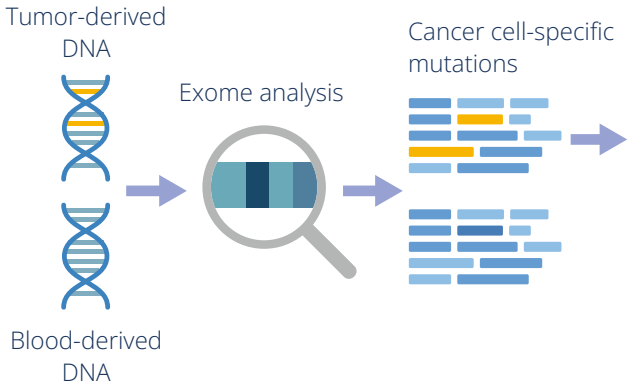
Adapted in part from Hsueh YH, Buddhakosai W, Le PN, et al. J Orthop Translat. 2022;38:141-155. Published Nov. 8, 2022. doi:10.1016/j.jot.2022.10.004

Neoantigen Identification Service NeoSight

"NeoSight" is a service that identifies patient-specific cancer markers (neoantigens).
It precisely analyzes cancer-cell genes and identifies mutations that differ from normal cells. It also predicts optimal markers that the immune system is likely to recognize as "foreign," based on the patient' s immune type. This provides information useful for the development of personalized cancer medicine, including cancer vaccines.

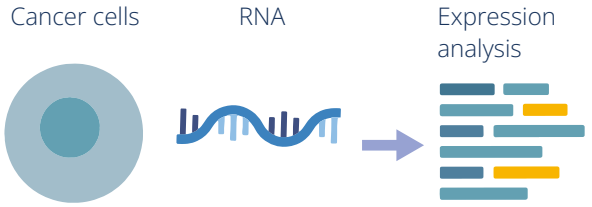
Step1

Analyze genetic mutations in cancer



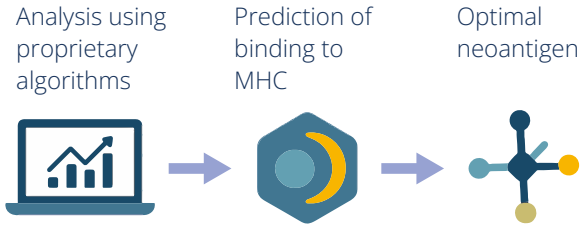
Step2

Identify mutations that are actually active



Step3

Select the optimal targets for immune attack from among them



As an option, the service can provide an end-to-end workflow through GMP-grade peptide (neoantigen) synthesis.

Wellmill Mail-In Testing Kits

Convenient at-home testing for the early detection of pre-symptomatic conditions

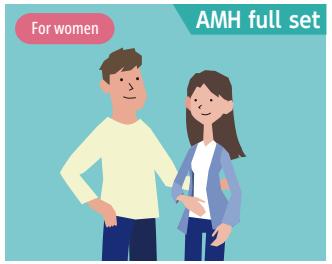
Visualizing hormone levels with testing kits tailored to individual concerns

Saliva-based male menopause testing kit
(testosterone)

Saliva-based female menopause testing kit
(estradiol and cortisol)

Saliva-based insomnia and stress testing kit
(melatonin and cortisol)

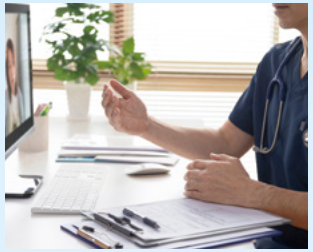
Fertility support testing kit
—AMH full set—
(AMH, estradiol and FSH)



B2B market

- Employee benefits
- Femtech

- Obtaining FOSHU approval
- Clinical trials



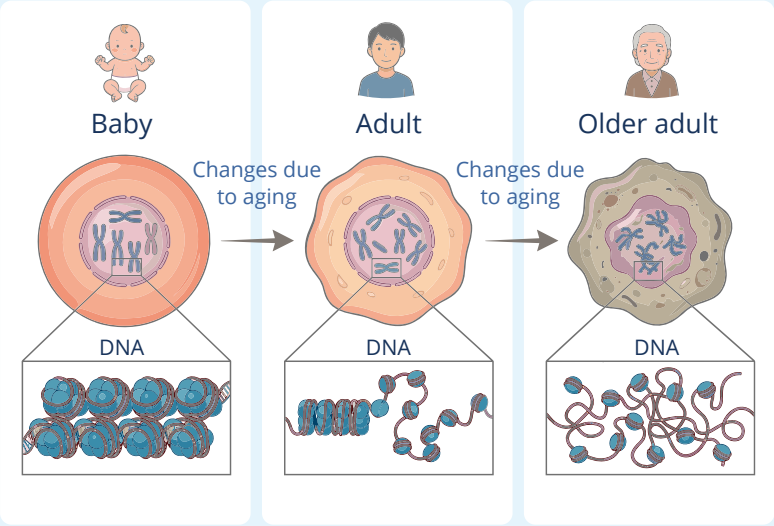
- Online medical consultation

Genetic Age Measurement Kit (Biological Age Measurement Kit)

Based on the latest epigenetics research, the Company has launched a “Genetic Age Measurement Kit” that analyzes biological age. This service analyzes DNA methylation patterns in cells contained in saliva and assesses the body’ s aging status. Testing can be performed simply by returning a saliva sample collected at home, and the Company expects the service to be used for health management and lifestyle improvement.

■ Age-related changes in cellular genetic age (epigenetic age)

Individual differences in the rate of cellular aging are driven by epigenetics, in which gene usage changes due to lifestyle and other factors.



■ Effect of lifestyle improvement *Based on [1] and [2]

Recent research suggests that lifestyle improvements such as diet, exercise, sleep, stress care and nutritional supplementation may reduce genetic age, and cases have been reported in which a decrease in biological age was observed after an eight-week program.

*The above represents research data from cited publications and does not guarantee test results or effects of this service.

[1] Title: Potential reversal of epigenetic age using a diet and lifestyle intervention: a pilot randomized clinical trial
Authors: Fitzgerald KN, Hodges R, Hanes D, et al. Journal: Aging (Albany NY). 2021;13(7):9419-9432. doi:10.18632/aging.202913
[2] Title: Potential reversal of biological age in women following an 8-week methylation-supportive diet and lifestyle program: a case series. Authors: Fitzgerald KN, Campbell T, Makarem S, Hodges R. Journal: Aging (Albany NY). 2023;15(6):1833-1839. doi:10.18632/aging.204602

Trend in Net Sales

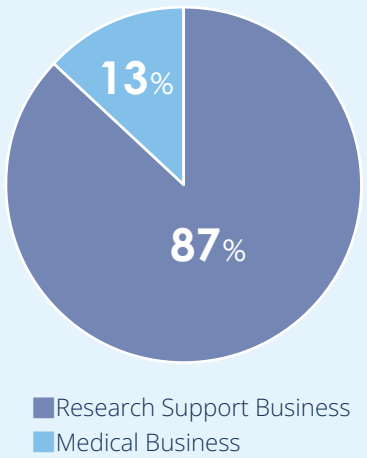
Net sales for FY2025 decreased due to stagnant orders resulting from reductions in U.S. bio-related budgets.

Financial Highlights

(Millions of yen)	Fiscal year ended March 2025 (Actual)	Fiscal year ended March 2026 (Actual)	Year-on-year change	Fiscal year ending March 2027
Net sales	2,978	2,233	▲745	2,629
Operating profit	▲130	▲860	▲729	▲630
Ordinary income	45	▲581	▲626	▲458
Profit attributable to owners of parent	103	▲591	▲694	▲458
Research and development expenses	536	627	+90	774

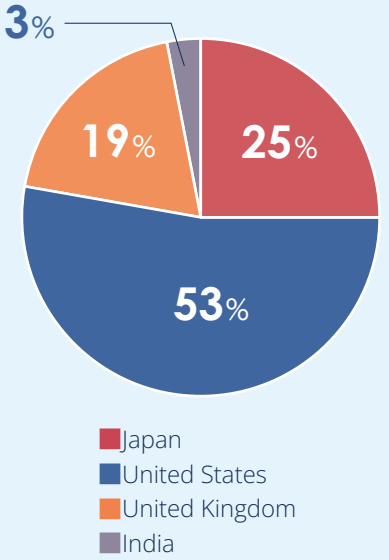
Fiscal year ended March 2026

Sales composition by segment



Fiscal year ended March 2026

Sales composition by region



Consolidated Statement of Income

(Millions of yen)		Fiscal year ended March 2025	Fiscal year ended March 2026	Change	Reason for change
Net sales		2,978	2,233	▲745	Decreased in both the Research Support and Medical businesses as shown below
Cost of sales		1,329	1,218	▲111	
Gross profit		1,649	1,015	▲633	Decrease in gross profit margin due to changes in product mix
Selling, general and administrative expenses	Research and development expenses	536	627	+90	Increase in personnel expenses, joint research expenses, consumables expenses and other costs
	Other selling, general and administrative expenses	1,242	1,248	+5	Increase in promotional expenses and other costs
Operating profit or loss (△)		▲130	▲860	▲729	
Non-operating income/expenses		175	278	+103	Increase in foreign exchange gains and interest on securities
Ordinary profit or loss (△)		45	▲581	▲626	
Net profit or loss (△)		103	▲591	▲694	

Net sales

Due to a significant decrease in net sales in the Research Support and Medical businesses, affected by stagnant orders resulting from reductions in U.S. bio-related budgets,

overall net sales decreased by JPY **745** million year on year.

Profit

Operating profit decreased by JPY 729 million and ordinary profit decreased by JPY 626 million due to a decline in the gross profit margin resulting from changes in product mix.

Research Development expenses

Investment continued in iPS neuroglial cells for ALS, GPC1 CAR-T, iPS exosomes and other programs.

Consolidated Balance Sheet

(Millions of yen)	Fiscal year ended March 2025	Fiscal year ended March 2026	Change	Reason for change
Current assets	4,896	7,329	+2,432	
Of which, cash and deposits	2,823	2,603	▲219	Operating cash flow: ▲383; acquisition of property, plant and equipment: ▲98; redemption of securities: +156; foreign exchange gain/loss on deposits: +105
Of which, securities	1,118	3,904	+2,785	Redemption of investment products: (1,100); transfer from investment securities: 3,900
Non-current assets	4,774	2,322	▲2,451	
Of which, investment securities	4,403	1,914	▲2,489	New acquisitions: +1,000; transfer to securities: ▲3,900; valuation gains/losses: +498
Total assets	**9,670**	**9,652**	▲18	
Current liabilities	640	617	▲23	
Non-current liabilities	45	188	+143	
Net assets	8,984	8,846	▲138	Net loss for the period: (591); valuation difference: 339
Liabilities and net assets	**9,670**	**9,652**	▲18	

Financial position As of March 31, 2026, the Company held JPY 2.6 billion in cash and deposits and JPY 3.9 billion in short-term investment securities.

Financing Scheme and Selection of Financing Partner

The Company has adopted a staggered issuance scheme giving due consideration to existing shareholders, including minimizing dilution,and has selected HCM as the optimal financing partner backed by the creditworthiness of one of the world's largest financial groups.

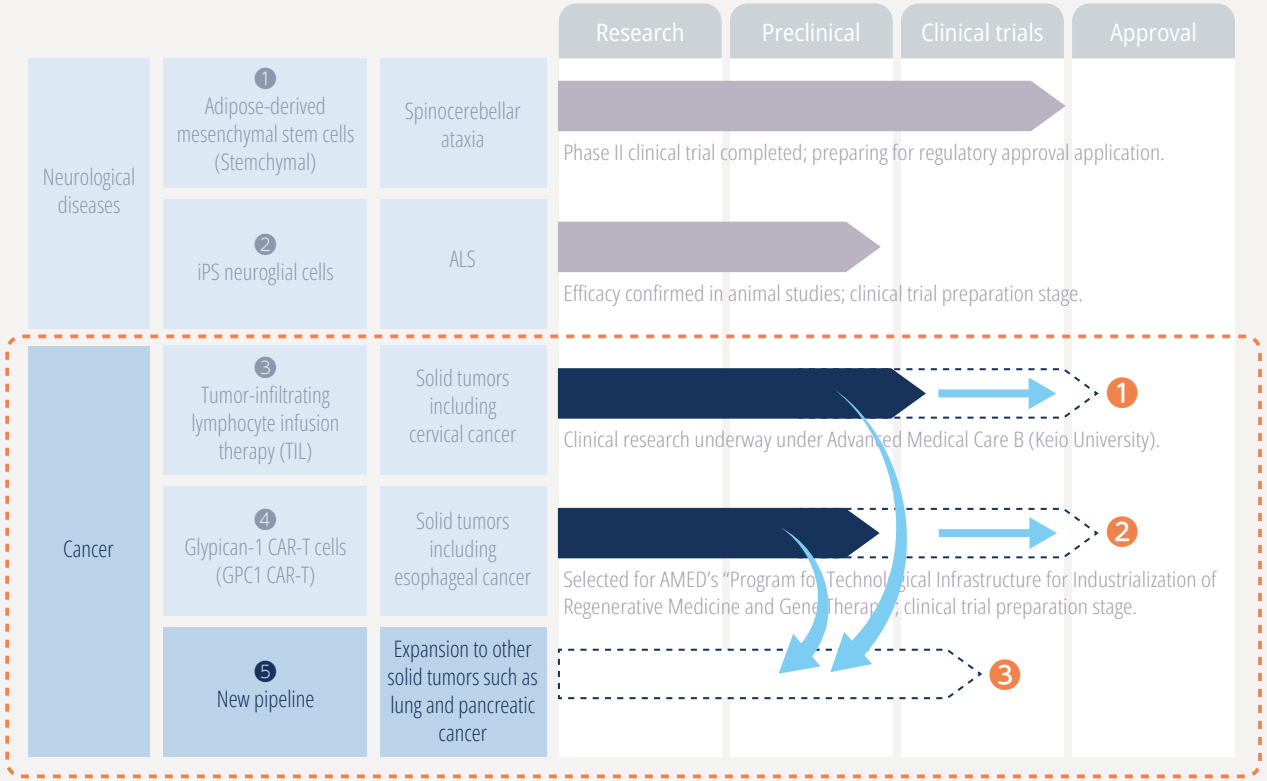
Financing Method and Pricing	Common shares (90% of the reference share price) +premium share acquisition rights (120% of the reference share price) [Hybrid structure]
Prospective Allottee	CVI Investments, Inc. (a fund managed by HCM, a U.S.-based investor)
Issuance Schedule	**[Allotment Dates]** (4 allotments in total) June 11, July 16, September 3, andOctober 20, 2026 **[Exercise Period]** Three years from the respective allotment dates (for share acquisition rights)
Total Financing Amount (Estimated)	**Up to approx. JPY 5.0 billion** (shares: approx. JPY 2.13 billion / share acquisition rights: approx. JPY 2.86 billion)
Dilution Rate (Cumulative)	Common shares: 12.3% share acquisition rights: 12.3% (cumulative total for all four issuances)
Scheme Features	Four staggered issuances and a 120% premium are designed to **spread out and limit excessive one-time share dilution**

HEIGHTS CAPITAL MANAGEMENT

1. Agreement on a scheme that gives top priority to the Company's business strategy and future funding needs
2. Investment stance that respects management's intentions
3. The allottee, CVI Investments, Inc., is a subsidiary of Susquehanna International Group (SIG), one of the world's largest financial conglomerates, and provides stable, flexible growth capital backed by high credibility and proprietary capital
4. Investment policy focused on high-growth companies in biotechnology, IT and other sectors that are shaping the next era in their respective countries

Specific Use of Funds and Pipeline Expansion

Strategic financing for manufacturing process development and Phase I/II clinical trials of the next-generation growth drivers, TIL and GPC-1 CAR-T, as well as for accelerating expansion into lung cancer, pancreatic cancer and other indications.



Specific Use of Funds	Amount (JPY mn)
1 **[TIL Therapy] Final stage toward regulatory submission and commercialization** (Costs for clinical trials and regulatory submission preparation for the TIL therapy project) ● Preparation for company-led trials in advanced cervical cancer and early clinical trials (Phase I/II) ● Optimization of quality control and manufacturing processes for marketing authorization submission	1,000
2 **[GPC-1 CAR-T Therapy] Toward the start of early clinical trials** (Costs for R&D and clinical trial start-up preparation for GPC-1 CAR-T therapy in refractory solid tumors) ● Early start of clinical trials for refractory solid tumors such as esophageal cancer ● Promotion of non-clinical studies and CMC-related clinical trial preparation in compliance with regulatory requirements	2,000
3 **[Indication and pipeline expansion] Expansion into lung cancer and other indications** (Costs for pipeline application expansion, new development and in-licensing) ● Development to expand TIL and GPC-1 CAR-T therapies to lung, pancreatic and other cancers ● Agile in-licensing of promising cell therapy products, focusing on rare disease areas	1,521

Note: JPY 473 million for working capital and issuance costs.

Important Notice Regarding This Material

This material has been prepared to explain the Company’ s business and is not intended to solicit investment.
The earnings forecasts and forward-looking statements contained herein are based on information available as of the date of preparation and on judgments made by the Company, and involve apparent and potential risks and uncertainties.
Accordingly, actual business conditions and performance may be affected by changes in the future economic environment and various other factors.

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