Non-consolidated Summary of Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2025

(All financial information has been prepared in accordance with the Generally Accepted Accounting Principles in Japan)

August 14, 2024

Company name:	Perseus Proteomics Inc.	Stock market listing:	Tokyo Stock Exchange
Security code:	4882	URL:	https://www.ppmx.com/en/
Representative:	Takuya Yokokawa, President & CEO		
Contact:	Shinichi Suzukawa, Board member, Head of Administrative Department		TEL: +81-3-6264-8224
Scheduled date to commence dividend payment:	-		
Preparation of supplementary material on financial results:	No		
Holding of financial results presentation meeting:	No		

(Amounts below one million yen were rounded down.)

1. Financial Results for the three months ended June 30, 2024 (April 1, 2024 – June 30, 2024)

(1) Operating results

(% represents year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit	
Three months ended	million yen	%	million yen	%	million yen	%	million yen	%
June 30, 2024	20	(15.8)	(221)	-	(214)	-	(219)	-
June 30, 2023	24	(2.4)	(234)	-	(224)	-	(422)	-

	Basic earnings per share	Diluted earnings per share
Three months ended	yen	yen
June 30, 2024	(15.79)	-
June 30, 2023	(35.90)	-

(Note) Diluted earnings per share is not shown although the Company has potential dilutive shares, as net loss per share was recorded.

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio
As of	million yen	million yen	%
June 30, 2024	2,206	1,906	82.7
March 31, 2024	1,693	1,398	78.2

(Reference) Shareholders' equity: As of June 30, 2024: 1,824 million yen As of March 31, 2024: 1,324 million yen

2. Cash dividends

	Dividend				
	Q1-end	Q2-end	Q3-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY ended March 31, 2024	-	0.00	-	0.00	0.00
FY Ending March 31, 2025	-				
FY Ending March 31, 2025 (Forecast)		0.00	-	0.00	0.00

(Note) Revision from the most recently announced dividend forecast: No

3. Financial results forecast for the fiscal year ending March 31, 2025 (April 1, 2024 - March 31, 2025)

Financial results forecast for the fiscal year ending March 31, 2025 is not provided as rational prediction is difficult. As for the detail, please refer to the "1. Qualitative information on quarterly non-consolidated business results (2) Explanation of business results forecast and other forecasts" on page 3.

Notes

(1) Adoption of special accounting methods for preparation of quarterly financial statements: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2024: 14,226,300 shares

As of March 31, 2024: 11,936,400 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2024: 50 shares

As of March 31, 2024: 50 shares

(iii) Average number of shares outstanding during the period

As of June 30, 2024: 13,884,413 shares

As of June 30, 2023: 11,759,353 shares

* Review of the Japanese-language originals of the attached quarterly non-consolidated financial statements conducted by certified public accountants or an audit firm: None

* Proper use of financial results forecasts, and other special matters

The forward-looking statements, including financial results forecasts, contained in these materials are based on information currently available to Perseus Proteomics Inc. (hereinafter "the Company") and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

Contents

1. Qualitative information on quarterly non-consolidated business results

(1) Explanation of business results

The global economy during the first quarter has been continuously uncertain due to factors including financial tightening in various countries, concerns about the future Chinese economy, and situations in Ukraine and the Middle East. In the Japanese economy, movements of mild recovery have been seen with some stagnation, however, downside risks of price increase and slowdown in overseas economy have lingered.

The medical industry, to which the Company belongs, has continued to face the important problems including measurement to novel infectious diseases and establishment of therapies against the diseases with growing number of patients such as cancer and dementia throughout the world. Under such circumstances, the Company has strived to promote its business proactively, focusing on drug discovery area.

The outline of the result of each business area is as follows:

1) Drug Discovery

During the first quarter, there were no sales recorded in drug discovery, however, the Company has been proceeding with antibody development mainly in cancer field by utilizing its antibody obtaining platforms. The Company has been developing three antibodies against cadherin 3 (CDH3) and transferrin receptor 1(TfR1) while researching and developing other antibodies to be next therapeutic drug candidates following them. The Company has also been continuously proceeding with establishment of antibody obtaining technology for increase in efficiency and improvement of its phage library. The progress of each pipeline is as follows:

a. PPMX-T002

PPMX-T002 is an anti-cancer drug candidate consisting of an antibody targeting CDH3, which is highly expressed on cancer cells, connected with yttrium 90 (^{90}Y), a radioisotope (RI). The antibodies accumulate on the targets on cancer cells and then irradiation from ^{90}Y kills cancer cells. In accordance with the return of its license from FUJIFILM Corporation ("FUJIFILM") in March 2022, the Company has been developing this antibody as a new medical drug candidate. In the phase I expansion in the USA conducted by a subsidiary of FUJIFILM, it was confirmed that the antibodies accumulated on the target cancer cells. Currently, the Company has been studying the change from ^{90}Y to actinium 225 (^{225}Ac) for out-licensing to an RI medical drug development company and working on the development strategy with an out-licensing candidate.

b. PPMX-T003

PPMX-T003, a unique human antibody, was obtained from the phage library of the Company through its own screening technology, ICOS method. It targets TfR1, which is related to iron uptake into cells and is highly expressed on cancer cells that proliferate at a significant pace. When this antibody binds to TfR1, it inhibits iron uptake into cancer cells, which provides anti-tumor effect of inhibiting cancer cell proliferation. As PPMX-T003 is expected to have therapeutic effects for various types of cancers, the Company has been proactively proceeding with its development.

Other than cancer cells, TfR1 is highly expressed on erythroblasts, which develop into red blood cells. Therefore, the Company has conducted the phase I clinical trial of polycythemia vera (PV), a disease characterized by excess increase in red blood cells (RBCs) as its first indication in Japan, expecting that the function of PPMX-T003 to inhibit iron uptake would work effectively to normalize the number of RBC. As the announcement on June 28, 2024, the tests of the last patient have terminated, resulting in the end of the phase I clinical trial. Currently, the Company has been proceeding with data lock of the tests, followed by clinical study reports (CSRs) creation and licensing out activities at the full scale.

The interim report of phase I clinical trial of PPMX-T003 among PV patients was presented at domestic and foreign conferences, where safety and pharmacological effects of PPMX-T003 among the three PV patients were reported. Also, the Company reported the primary endpoint of safety and the secondary endpoint of phlebotomy-free period (pharmacological effects) among the data-locked five patients at the 14th JSH International Symposium 2024 in July, 2024.

As PPMX-T003 has been found to have a possibility to be an effective therapeutic drug for aggressive NK-cell leukemia (ANKL), an ultra-rare disease, an investigator-led phase I/II clinical trial is underway following the adoption as Project Promoting Support for Drug Discovery, Support Program for Orphan drug prior to the Designation by Japan Agency for Medical Research and Development (AMED). In September 2023, PPMX-T003 was administered to 2 participants. The related parties and the Company have established a network of seven clinical trial locations across the nation, with Hiroshima University Hospital as the main location. This enables the trial team to promptly administer the investigational

drug to participants as soon as they are registered. The Company has also provided support for registration of participants through activities including requesting cooperation from general internists and gastroenterologists.

The Company has also been proceeding with joint research on drug discovery with Nagoya University and other academia to clarify the mechanism of action as a therapeutic drug for blood cancers including acute myeloid leukemia and multiple myeloma as well as solid tumor.

c. PPMX-T004

PPMX-T004 is an antibody drug conjugate (ADC) targeting CDH3. Currently the Company has been studying the latest therapeutic drug, linker to connect the drug with the antibody, and others to decide the best combination. As for the promising combination found in the test tube examinations, the Company has confirmed the high anti-tumor effects in experiments on mice as well. Currently the Company has been proceeding with experiments on cynomolgus monkeys.

ADC is expected to have high clinical effects regardless of immune function status of patients, as it can kill the targeting cells specifically by bringing the connected drug into the cell.

2) Antibody Research Support

Antibody research support sales were 930 thousand yen (57.4% decrease year on year) due to the delivery delay in a certain business deal.

3) Antibody and Reagent Sales

Antibody and reagent sales were 19,932 thousand yen (11.8% decrease year on year). The Company has also continued to develop the Quick Detection Kit of Pentraxin3 with Wakunaga Pharmaceutical Co., Ltd.

As a result, sales of the first quarter ended June 30, 2024 were 20,862 thousand yen (15.8% decrease year on year).

Research and development cost was 154,388 thousand yen due to the phase I/II clinical trial of ANKL and the phase I clinical trial of PV on PPMX-T003, etc., resulting in operating loss of 221,799 thousand yen (234,569 thousand yen in the same period of the previous year). Ordinary loss was 214,672 thousand yen (224,249 thousand yen in the same period of the previous year) due to non-operating income of 10,076 thousand yen from foreign exchange gains and non-operating loss of 2,949 thousand yen from taxes and dues associated with capital increase through exercise of share acquisition rights. Loss was 219,167 thousand yen (422,124 thousand yen in the same period of the previous year) due to recording of extraordinary losses of 3,880 thousand yen from impairment losses of noncurrent assets.

Segment information is omitted as the Company has a single business segment, the pharmaceutical business.

(2) Explanation of business results forecast and other forecasts

In the fiscal year ending March 31, 2025, although the Company expects licensing agreements on PPMX-T002 and PPMX-T003, the amounts of upfront fees and others are yet to be determined. Business results forecasts are not shown as it is difficult to rationally forecast the impact of the agreements on sales and costs in the fiscal year ending March 31, 2025. The Company will announce the forecasts immediately when they become available.

With regards to costs, the Company expects the following items:

- SG & A of 1,043 million yen. Breakdown: R&D costs of 729 million yen due to PPMX-T004 development and investigator-led clinical trial of PPMX-T003 ANKL therapeutic drug candidate. Other administration costs of 314 million yen.

2. Non-consolidated financial statements

(1) Statement of balance sheet

(thousand yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	1,541,419	2,125,724
Accounts receivable - trade	13,660	5,797
Finished goods	1,308	1,280
Supplies	3,098	3,107
Advance payments - trade	3,086	3,252
Prepaid expenses	5,475	12,719
Consumption taxes receivable	70,150	12,164
Other	12,747	47
Total current assets	1,650,947	2,164,093
Non-current assets		
Property, plant and equipment	0	0
Intangible assets	0	0
Investments and other assets	42,862	42,862
Total non-current assets	42,862	42,862
Total assets	1,693,810	2,206,956
Liabilities		
Current liabilities		
Accounts payable-other	53,465	51,266
Accrued expenses	57,486	42,991
Income taxes payable	13,079	7,308
Deposits received	4,946	4,165
Provision for bonuses	—	2,763
Total current liabilities	128,978	108,495
Non-current liabilities		
Long-term deposits received	166,487	191,487
Total non-current liabilities	166,487	191,487
Total liabilities	295,465	299,982
Net assets		
Shareholders' equity		
Share capital	1,971,019	2,330,584
Capital surplus	2,256,908	2,616,474
Retained earnings	(2,903,700)	(3,122,868)
Treasury shares	(21)	(21)
Total shareholders' equity	1,324,205	1,824,168
Share acquisition rights	74,139	82,805
Total net assets	1,398,344	1,906,974
Total liabilities and net assets	1,693,810	2,206,956

(2) Statement of income

(thousand yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	24,776	20,862
Cost of sales	1,528	654
Gross profit	23,247	20,208
Selling, general and administrative expenses		
Research and development cost	157,651	154,388
Other	100,165	87,618
Total selling, general and administrative expenses	257,817	242,007
Operating loss	(234,569)	(221,799)
Non-operating income		
Interest income	8	57
Foreign exchange gains	10,322	10,017
Other	0	1
Total non-operating income	10,331	10,076
Non-operating expenses		
Share issuance costs	-	432
Taxes and dues	-	2,517
Other	11	-
Total non-operating expenses	11	2,949
Ordinary loss	(224,249)	(214,672)
Extraordinary income		
Gain on sale of non-current assets	47	-
Total extraordinary income	47	-
Extraordinary losses		
Head office relocation expenses	67,595	-
Impairment losses	129,845	3,880
Total extraordinary losses	197,440	3,880
Loss before income taxes	(421,642)	(218,552)
Income taxes – current	481	615
Total income taxes	481	615
Loss	(422,124)	(219,167)