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

(Under Japanese GAAP)

February 14, 2025

Company name:	Perseus Proteomics Inc.	Listing:	Tokyo Stock Exchange
Security code:	4882	URL:	https://www.ppmx.com/en/
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Scheduled date to file Securities Report:	-		
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 are rounded down.)

1. Financial Results for the nine months ended December 31, 2024 (April 1, 2024 – December 31, 2024)

(1) Operating results (Percentages represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit	
Nine months ended	million yen	%	million yen	%	million yen	%	million yen	%
December 31, 2024	83	15.9	(630)	-	(624)	-	(694)	-
December 31, 2023	71	2.9	(689)	-	(682)	-	(899)	-

	Basic earnings per share	Diluted earnings per share
Nine months ended	yen	yen
December 31, 2024	(49.20)	-
December 31, 2023	(76.45)	-

(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	%
December 31, 2024	1,996	1,639	78.2
March 31, 2024	1,693	1,398	78.2

(Reference) Shareholders' equity: As of December 31, 2024: 1,560 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	-	0.00	-		
FY ending March 31, 2025 (Forecast)				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 December 31, 2024: 14,740,500 shares

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

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

As of December 31, 2024: 50 shares

As of March 31, 2024: 50 shares

(iii) Average number of shares outstanding during the period

Nine months ended December 31, 2024: 14,114,447 shares

Nine months ended December 31, 2023: 11,768,437 shares

* Review of the Japanese-language originals of the attached quarterly non-consolidated financial statements 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.

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1. Qualitative information on quarterly non-consolidated business results

(1) Explanation of business results

Although the global economy during the nine-month period has shown mild recovery, it has been continuously uncertain due to factors including concerns about the future Chinese economy and situations in Ukraine and the Middle East. The Japanese economy has been recovering moderately with some stagnation; however, downside risks from rising prices and a slowdown in the overseas economy have persisted.

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 results of each business area is as follows:

1) Drug Discovery

During the nine-month period, no sales were recorded from 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 conducting research and development of 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 selected polycythemia vera (PV), a disease characterized by excess increase in red blood cells (RBCs), as its first indication and conducted a phase I clinical trial in Japan, which ended in June 2024. As of the submission date of this document, the Company has been proceeding with clinical study reports (CSRs) creation.

The Company reported the followings at the 66th ASH annual meeting and exposition:

- safety was confirmed among all the six subjects
- efficacy in the red blood cell parameters including hematocrit and hemoglobin was indicated among all the six subjects
- phlebotomy-free period of 12 weeks was achieved among five out of the six subjects, with the sixth subject's test being terminated due to the patient's intension.

As PPMX-T003 has shown potential to be an effective therapeutic drug for aggressive NK-cell leukemia (ANKL), an ultra-rare disease, the research on ANKL was selected for 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 March 2022. Following this, an investigator-led phase I/II clinical trial has been ongoing, however, the clinical trial coordinator determined to extend the trial period for 1 year. Considering the rarity of the disease, 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 patients as soon as they are registered.

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. 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.

Currently the Company has been studying the latest therapeutic drug and linker to connect with the antibody 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. The Company has been proceeding with preliminary toxicity tests, however, it has been taking more time than expected to decide the combination that optimizes the balance between efficacy and toxicity. The Company expects the decision to be made in the fiscal year ending March 2026.

In October 2024, the Company signed an agreement with UBE Corporation regarding joint research on ADC and has been conducting discovery research for ADCs targeting various cancer antigens as well as the development of PPMX-T004 together.

2) Antibody Research Support

The sales from antibody research support were 10,588 thousand yen (14.8% increase year on year) due to recording the sales of delayed delivery and other new business deals.

3) Antibody and Reagent Sales

The sales from antibody and reagent sales were 72,482 thousand yen (16.0% increase year on year), staying solid during the period. As for the Quick Detection Kit of Pentraxin 3 (PTX3) being co-developed with Wakunaga Pharmaceutical Co., Ltd. (Wakunaga), the clinical performance study finished as an in-vitro diagnostic agent for an undisclosed cardiovascular disease and preparations for filing for approval on manufacture and sales are underway. PTX3 is known to increase in blood concentration not only due to vasculitis but also due to various types of inflammation. Wakunaga and the Company will continue to conduct research and development to establish it as an external diagnostic drug for prognosticating various inflammatory diseases in the future.

As a result, sales of the nine months ended December 31, 2024 were 83,070 thousand yen (15.9% increase year on year). As R&D costs were 453,769 thousand yen due to the investigator-led phase I/II clinical trial of PPMX-T003 ANKL and the phase I clinical trial of PPMX-T003 PV, operating loss was 630,121 thousand yen (689,498 thousand yen in the same period of the previous year). Ordinary loss was 624,234 thousand yen (682,020 thousand yen in the same period of the previous year) as foreign exchange gains of 7,643 thousand yen and outsourcing service income, etc. of 2,482 thousand yen were recorded as non-operating income while taxes and dues of 3,271 thousand yen and share issuance costs, etc. of 966 thousand yen were recorded as non-operating expenses. Loss was 694,462 thousand yen (899,716 thousand yen in the same period of the previous year) as impairment losses of non-current assets of 68,383 thousand yen were recorded as extraordinary losses in accordance with the Accounting Standard for Impairment of Fixed 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 initially expected R&D expenses of 729 million yen and other administration expenses of 314 million yen. Due to the delay in PPMX-T004 development, however, the Company now expects the former will be 650 million yen and the latter 336 million yen. As a result, SG & A expenses will decrease from the initial figure of 1,043 million yen to 987 million yen.

2. Non-consolidated financial statements

(1) Statement of balance sheet

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	1,541,419	1,878,948
Accounts receivable - trade	13,660	13,530
Finished goods	1,308	1,702
Supplies	3,098	4,128
Advance payments	3,086	3,357
Prepaid expenses	5,475	10,989
Consumption taxes receivable	70,150	40,480
Other	12,747	114
Total current assets	1,650,947	1,953,252
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	1,996,115
Liabilities		
Current liabilities		
Accounts payable-other	53,465	29,377
Accrued expenses	57,486	61,507
Income taxes payable	13,079	10,962
Deposits received	4,946	4,076
Provision for bonuses	—	9,478
Total current liabilities	128,978	115,402
Non-current liabilities		
Long-term deposits received	166,487	241,487
Total non-current liabilities	166,487	241,487
Total liabilities	295,465	356,890
Net assets		
Shareholders' equity		
Share capital	1,971,019	2,436,148
Capital surplus	2,256,908	2,722,038
Retained earnings	(2,903,700)	(3,598,163)
Treasury shares	(21)	(21)
Total shareholders' equity	1,324,205	1,560,002
Total share acquisition rights	74,139	79,223
Total net assets	1,398,344	1,639,225
Total liabilities and net assets	1,693,810	1,996,115

(2) Statement of income

(Thousands of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	71,685	83,070
Cost of sales	6,357	9,647
Gross profit	65,328	73,423
Selling, general and administrative expenses		
Research and development expenses	473,809	453,769
Other	281,017	249,775
Total selling, general and administrative expenses	754,827	703,544
Operating loss	(689,498)	(630,121)
Non-operating income		
Interest income	30	707
Outsourcing service income	—	1,772
Foreign exchange gains	7,457	7,643
Other	1	2
Total non-operating income	7,489	10,126
Non-operating expenses		
Share issuance costs	—	961
Taxes and dues	—	3,271
Other	11	5
Total non-operating expenses	11	4,238
Ordinary loss	(682,020)	(624,234)
Extraordinary income		
Gain on sale of non-current assets	47	—
Total extraordinary income	47	—
Extraordinary losses		
Head office relocation expenses	69,326	—
Impairment losses	146,970	68,383
Total extraordinary losses	216,297	68,383
Loss before income taxes	(898,271)	(692,617)
Income taxes - current	1,445	1,845
Total income taxes	1,445	1,845
Loss	(899,716)	(694,462)