Summary of Consolidated Financial Results for the Nine Months Ended September 2026 (Based on Japanese GAAP, QUICK TRANSLATION)

November 11, 2026

Company name: Innovacell Inc. Stock exchange listing: Tokyo
Stock code: 504A URL https://www.innovacell.com
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Scheduled date of commencing dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding financial results briefing session: Yes

(Amounts of less than one million yen are rounded down.)

1. Results of Operations for the nine months ended September 2026 (January 1, 2026 to September 30, 2026)

(1) Consolidated Results of Operations (% indicates change from the previous corresponding period.)

	Operating revenue		Operating income		Ordinary income		Net income attributable to owners of parent	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 2026	16	–	-2,181	–	-2,395	–	-2,396	–
September 2025	–	–	-1,580	–	-2,093	–	-2,094	–

(Note) Comprehensive income Nine months ended September 2026 -2,368 million yen (–%) Nine months ended September 2025 -2,289 million yen (–%)

	Net income per share	Diluted net income per share
Nine months ended	Yen	Yen
September 2026	-56.10	–
September 2025	-66.18	–

(Note) As the Company was listed on the Growth Market of the Tokyo Stock Exchange on February 24, 2026, diluted net income per share for the nine months ended September 30, 2025 is not presented because, although dilutive shares existed, the Company's shares were unlisted and the average market price during the period could not be determined. Diluted net income per share for the nine months ended September 30, 2026 is not presented because, although dilutive shares exist, the Company recorded a net loss per share for the period.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
September 30, 2026	11,505	8,788	76.4
December 31, 2025	5,092	-630	-51.7

(Reference) Equity capital As of September 30, 2026 8,786 million yen As of December 31, 2025 -2,631 million yen

2. Cash dividends

	Annual dividends per share				
	1st quarter end	2nd quarter end	3rd quarter end	Fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 2025	–	0.00	–	0.00	0.00
Year ending December 2026	–	0.00	–		
Year ending December 2026 (forecast)				0.00	0.00

(Note) Revision to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the year ending December 2026 (January 1, 2026, to December 31, 2026)

(Percentages represent changes from the previous fiscal year for the full year.)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	1,000	–	-3,337	–	-3,461	–	-3,463	–	-81.46

(Note) Revision to the forecast of consolidated financial results most recently announced: No

* Notes

(1) Significant changes in the scope of consolidation during the period: No

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of shares issued (common stock)

1) Total number of issued shares at the end of the period (including treasury shares)	As of September 30, 2026	45,152,144 shares	As of December 31, 2025	33,335,702 shares
2) Number of treasury shares at the end of the period	As of September 30, 2026	- shares	As of December 31, 2025	- shares
3) Average number of shares during the period	Nine months ended September 2026	42,712,340 shares	Nine months ended September 2025	31,648,744 shares

* Review of the attached quarterly consolidated financial statements by a certified public accountant or audit firm: No

* Explanation of the appropriate use of financial results forecasts, and other notes

(Cautionary note on forward-looking statements)

Earnings forecasts and other forward-looking statements in this material are based on information currently available to the Company and certain assumptions judged to be reasonable, and are not intended as a promise by the Company that they will be achieved. In addition, actual results may differ significantly due to a variety of factors. For matters related to the above earnings forecasts, please refer to “1. Summary of Business Results, etc. (3) Explanation of Forecast of Consolidated Financial Results and Other Forward-looking Statements” on page 4 of the attached document.

(How to Access the Financial Results Supplementary Explanation Materials and Briefing Session Content)

The Group will hold a financial results briefing session for domestic institutional and individual investors (in Japanese) via live webcast on Wednesday, November 11, 2026. In addition, a financial results briefing video for overseas institutional investors (in English) is scheduled to be posted on the Company’s website on Thursday, November 12, 2026. The financial results supplementary explanation materials are scheduled to be posted on TDnet and the Company’s website at a later date. The video of the financial results briefing session for domestic institutional and individual investors (in Japanese) is also scheduled to be posted on the Company’s website promptly after the session concludes.

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1. Summary of Business Results, etc.

(1) Explanation of Operating Results for the Quarter Under Review

During the nine months ended September 30, 2026, the pace of growth of the global economy slowed in the first half of the year due to disruptions in energy supply stemming from heightened tensions in the Middle East. However, the impact was mitigated to a certain extent by the use of oil inventories, alternative procurement from outside the Gulf region and support measures by governments. Also supported by expanding investment in artificial intelligence (AI), the global economy remained more resilient than expected. That said, negotiations between the United States and Iran over the normalization of navigation through the Strait of Hormuz have yet to be concluded. Together with continued inflationary pressures and rising long-term interest rates, this has left the outlook uncertain and subject to downside risks.

With regard to the Japanese economy, the government's Monthly Economic Report has maintained its basic assessment that the economy "is recovering at a moderate pace," while noting the need to pay close attention to the effects of the situation in the Middle East and natural disasters. Although production has shown signs of picking up against the backdrop of global demand for AI and semiconductors, personal consumption has lacked strength, partly reflecting higher import costs associated with the alternative procurement of crude oil and persistently high prices.

Turning to trends in the regenerative medicine field, the application of innovative technologies such as stem cell therapy, gene therapy and genome editing has been accelerating, and the practical application of new treatment modalities is advancing, particularly for rare and intractable diseases. At the same time, investment in this field and in contract development and manufacturing organization (CDMO) businesses continues to expand on a global scale. Our Group recognizes that the regenerative medicine market continues to attract attention as a field expected to achieve further growth over the medium to long term.

In Japan, in March 2026, two products received conditional and time-limited approval as the world's first iPS cell-derived regenerative medicine products. Following approval by the Central Social Insurance Medical Council, one of the products became eligible for coverage under public health insurance from May and the other from September of the same year. In September 2026, the first transplant surgery on a patient using an iPS cell-derived product under insured medical care was performed, and iPS cell-derived products are thus moving from the research stage to the stage of being provided in actual clinical settings. In addition, in the "Basic Policy on Economic and Fiscal Management and Reform 2026" (the so-called "Honebuto Policy") and the "Japan Growth Strategy," both approved by the Cabinet in July 2026, "drug discovery and advanced medicine" was designated as one of the 17 strategic fields in which public and private investment is to be promoted, with regenerative medicine products explicitly identified among its key products and technologies. Furthermore, under the "Initiatives to Strengthen the Manufacturing System for Biopharmaceuticals and Regenerative Medicine Products" promoted by the Ministry of Economy, Trade and Industry (METI), efforts are underway to promote the development of domestic CDMO bases and the cultivation of manufacturing talent. Against the backdrop of this strengthening of policy support and the accumulation of approval precedents, our Group recognizes that the regenerative medicine field will continue to grow and expand, and that societal expectations for it will continue to rise.

Overseas, in the United States, expedited development and review support for regenerative medicine products targeting serious diseases continues to be provided under the Regenerative Medicine Advanced Therapy (RMAT) designation program operated by the U.S. Food and Drug Administration (FDA) pursuant to the 21st Century Cures Act. In September 2026, a gene therapy product for a rare disease for which no approved treatment had previously existed received accelerated approval, and approvals under these programs continue to accumulate steadily.

In Europe, development and approval activities relating to gene therapy and cell therapy continue to progress under the Advanced Therapy Medicinal Product (ATMP) regulatory framework overseen by the European Medicines Agency (EMA).

As described above, regulatory and policy support for the regenerative medicine field continues to be strengthened across the key regions of Japan, the United States and Europe.

In this environment, our Group continued to focus on advancing the Phase III international collaborative clinical trial of ICEF15, targeting urge fecal incontinence (the "Trial"). The Trial is currently being conducted as a global trial that now includes the United States in addition to Japan and Europe, and patient enrollment is continuing with the aim of completing enrollment by the end of 2026.

In the United States, following a 30-day review of the Investigational New Drug (IND) application submitted to the FDA, the Group received notification in July 2026 that the Trial may commence in the United States. This has enabled the formal enrollment of U.S. sites and patients in the Trial, and preparations are currently underway at multiple U.S. sites toward their participation in the Trial.

In Japan and Europe, the Group worked with its contract research organization (CRO) partners to promote patient recruitment, including by reviewing trial participation sites and conducting patient recruitment advertising. As a result, patient enrollment progressed at a pace exceeding initial expectations, and new patient recruitment in both regions was closed at the end of July 2026. Meanwhile, enrollment for the Trial as a whole, now including the United States, will proceed without changing the target enrollment of 290 patients (set out in the clinical trial protocol based on the number of patients required for the statistical verification of efficacy), by utilizing the replacement patient mechanism prescribed in advance in the clinical trial protocol. Accordingly, the final number of patients enrolled may somewhat exceed the target enrollment. The Group continues to expect enrollment for the Trial, including the United States, to be

completed by the end of 2026. As of September 30, 2026, the number of patients who had undergone muscle tissue biopsies (i.e., had been randomized) was 291 (as of November 4, 2026: 294), of whom 239 (as of November 4, 2026: 260) had completed implantation.

With respect to ICEF16, targeting passive fecal incontinence, a Japanese patent (Patent No. 7910787) was registered in August 2026 for a method of obtaining skeletal muscle tissue-derived smooth muscle-like cells (I-SMCs), which constitute ICEF16. In addition, on November 6, 2026 (CET), after the end of the third quarter, the Group submitted a Clinical Trial Application (CTA) to the Austrian Federal Office for Safety in Health Care (BASG) for a Phase I clinical trial of ICEF16, which is a First-in-Human (FIH) trial in which ICEF16 will be administered to humans for the first time. First patient enrollment is planned for the first quarter of 2027.

From a commercialization perspective, at the meeting of the Board of Directors held on July 23, 2026, the Company resolved to enter into a Product Commercialization Agreement (the “Agreement”) with EVERSANA Life Science Services, LLC regarding the market launch in the United States of ICEF15, the Company’s development product, and entered into the Agreement on July 24, 2026. Through the Agreement, the Company will retain the product rights for ICEF15 in the U.S. market while achieving an early and efficient launch in the global market, and will seek to maximize its business value.

With respect to indication expansion initiatives, research findings on the potential for a new indication for ICEF15, arising from joint research with Saga University, were presented at the 127th Annual Meeting of the Japanese Society of Otorhinolaryngology-Head and Neck Surgery, held in May 2026. The presentation reported an improvement in swallowing function in mice in which dysphagia (a condition involving impaired ability to swallow food or liquids) had been induced.

In terms of Group operations, the Company was listed on the Growth Market of the Tokyo Stock Exchange on February 24, 2026. In connection with the listing, the Company raised 11,750,862 thousand yen through a public offering of new shares and a third-party allotment of shares related to the over-allotment option. Using the proceeds from the listing, on March 31, 2026, the Company’s consolidated subsidiary repaid the venture debt borrowed from the European Investment Bank (EIB), together with accrued interest through the repayment date, for a total of 3,212,009 thousand yen (17 million euros). As a royalty agreement is attached to this loan agreement and the two agreements are considered to constitute substantially a single transaction, the royalties are accounted for as part of the interest on the loan. Accordingly, the present value of the estimated future royalty payments continues to be recognized as long-term loans payable. The estimated royalty payments are based on projections such as future revenue plans, and any change in the conditions or assumptions underlying these estimates could have a material impact on the consolidated financial statements for subsequent quarterly periods.

In addition, Innovacell GmbH, a consolidated subsidiary of the Company, has a manufacturing facility compliant with Good Manufacturing Practice (GMP) standards. During the nine months ended September 30, 2026, Innovacell GmbH completed the manufacture and delivery of products under a manufacturing contract with an external research institution, and the related contract manufacturing revenue was recognized as operating revenue.

As a result of the above business activities, for the nine months ended September 30, 2026, the Group recorded operating revenue of 16,576 thousand yen from contract manufacturing (no such revenue was recorded in the same period of the previous fiscal year). However, due to research and development expenses of 1,565,261 thousand yen (1,175,425 thousand yen in the same period of the previous fiscal year), the Group recorded an operating loss of 2,181,850 thousand yen (a loss of 1,580,688 thousand yen in the same period of the previous fiscal year), an ordinary loss of 2,395,317 thousand yen (a loss of 2,093,627 thousand yen in the same period of the previous fiscal year), and a net loss attributable to owners of parent of 2,396,294 thousand yen (a loss of 2,094,596 thousand yen in the same period of the previous fiscal year).

As the Group operates as a single segment in the cell therapy and regenerative medicine research and development business, disclosure of segment information has been omitted.

(2) Explanation of Financial Position for the Quarter Under Review

(Assets)

Current assets as of the end of the third quarter of the current fiscal year amounted to 10,935,718 thousand yen, an increase of 6,439,421 thousand yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 5,912,928 thousand yen in cash and deposits and an increase of 325,718 thousand yen in prepaid expenses. Non-current assets amounted to 569,591 thousand yen, a decrease of 26,672 thousand yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease of 23,555 thousand yen in property, plant and equipment, resulting from the recording of depreciation and other factors.

As a result, total assets amounted to 11,505,310 thousand yen, an increase of 6,412,748 thousand yen from the end of the previous consolidated fiscal year.

(Liabilities)

Current liabilities as of the end of the third quarter of the current fiscal year amounted to 507,574 thousand yen, an increase of 75,427 thousand yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 9,130 thousand

yen in the current portion of long-term loans payable and an increase of 62,605 thousand yen in income taxes payable. Non-current liabilities amounted to 2,209,326 thousand yen, a decrease of 3,081,343 thousand yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease of 3,024,125 thousand yen in long-term loans payable.

As a result, total liabilities amounted to 2,716,900 thousand yen, a decrease of 3,005,915 thousand yen from the end of the previous consolidated fiscal year.

(Net assets)

Net assets as of the end of the third quarter of the current fiscal year amounted to 8,788,409 thousand yen, an increase of 9,418,664 thousand yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 5,875,431 thousand yen each in share capital and capital surplus resulting from the issuance of new shares via public offering and the third-party allotment of shares related to the over-allotment option, partially offset by the recording of a net loss attributable to owners of parent of 2,396,294 thousand yen.

(3) Explanation of Forecast of Consolidated Financial Results and Other Forward-looking Statements

There have been no revisions to the forecast of consolidated financial results for the fiscal year ending December 2026, which was announced at the time of the Company’s stock exchange listing on February 24, 2026.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Unit: Thousand yen)

	As of December 31, 2025	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	4,101,476	10,014,405
Raw materials and supplies	38,939	25,728
Other receivables	260,157	454,014
Prepaid expenses	38,528	364,246
Other	57,196	77,324
Total current assets	4,496,297	10,935,718
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	17,834	29,724
Tools, furniture and fixtures (net)	15,005	21,483
Machinery, equipment and vehicles (net)	79,329	72,008
Right-of-use assets, net	431,297	395,890
Construction in progress	–	801
Total property, plant and equipment	543,465	519,910
Intangible assets		
Software	20,832	18,688
Total intangible assets	20,832	18,688
Investments and other assets		
Other	31,965	30,993
Total investments and other assets	31,965	30,993
Total non-current assets	596,264	569,591
Total assets	5,092,561	11,505,310
Liabilities		
Current liabilities		
Current portion of long-term loans payable	86,953	96,084
Lease liabilities	16,813	17,474
Other payables	217,321	224,631
Accrued expenses	10,072	–
Income taxes payable	8,360	70,965
Provision for bonuses	2,157	2,380
Other	90,466	96,038
Total current liabilities	432,146	507,574
Non-current liabilities		
Long-term loans payable	4,588,003	1,563,878
Lease liabilities	504,408	474,756
Long-term unearned revenue	198,256	169,773
Other	–	916
Total non-current liabilities	5,290,669	2,209,326
Total liabilities	5,722,816	2,716,900
Net assets		
Shareholders' equity		
Share capital	4,131,360	11,025,081
Capital surplus	2,333,391	8,473,199
Retained earnings	-8,366,145	-10,008,527
Total shareholders' equity	-1,901,393	9,489,754
Accumulated other comprehensive income		
Foreign currency translation adjustment	-730,527	-703,010
Total accumulated other comprehensive income	-730,527	-703,010
Subscription rights to shares	2,001,666	1,666
Total net assets	-630,254	8,788,409
Total liabilities and net assets	5,092,561	11,505,310

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

(Quarterly Consolidated Statement of Income)

(Unit: Thousand yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
Operating revenue	–	16,576
Operating expenses		
Cost of sales	–	5,464
Research and development expenses	1,175,425	1,565,261
Other selling, general and administrative expenses	405,263	627,700
Total operating expenses	1,580,688	2,198,426
Operating loss (-)	-1,580,688	-2,181,850
Non-operating income		
Interest income	1,903	23,652
Subsidy income	189,907	235,314
Other	525	21
Total non-operating income	192,336	258,988
Non-operating expenses		
Interest expenses	664,052	335,909
Financing expenses	30,000	74,637
Other	11,223	61,908
Total non-operating expenses	705,275	472,455
Ordinary loss (-)	-2,093,627	-2,395,317
Net loss before taxes for the period (-)	-2,093,627	-2,395,317
Income taxes - current	969	976
Total income taxes	969	976
Net loss for the period (-)	-2,094,596	-2,396,294
Net loss attributable to owners of parent for the period (-)	-2,094,596	-2,396,294

(Quarterly Consolidated Statement of Comprehensive Income)

(Unit: Thousand yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
Net loss for the period (-)	-2,094,596	-2,396,294
Other comprehensive income		
Foreign currency translation adjustment	-194,601	27,516
Total other comprehensive income	-194,601	27,516
Comprehensive income for the period	-2,289,198	-2,368,777
Attributable to		
Comprehensive income attributable to owners of parent	-2,289,198	-2,368,777
Comprehensive income attributable to non-controlling interests	-	-

(3) Notes Regarding Quarterly Consolidated Financial Statements

(Segment Information)

Segment information

For the nine months ended September 30, 2025

As the Group operates as a single segment in the cell therapy and regenerative medicine research and development business, this disclosure has been omitted.

For the nine months ended September 30, 2026

As the Group operates as a single segment in the cell therapy and regenerative medicine research and development business, this disclosure has been omitted.

(Notes for Material Changes in Shareholders' Equity)

The Company was listed on the Growth Market of the Tokyo Stock Exchange on February 24, 2026. In connection with the listing, a public offering of new shares, a third-party allotment of shares related to the over-allotment option, and the conversion of ratchet-type subscription rights to shares were carried out during the nine months ended September 30, 2026. In addition, during the same period, the Company issued restricted stock to three Directors of the Company. The details are as follows.

1. Issuance of new shares via public offering (general offering)

(1) Type and number of shares issued	Common stock: 8,400,000 shares
(2) Issue price	1,350 yen per share
(3) Total issue price	11,340,000 thousand yen
(4) Underwriting price	1,248.75 yen per share
(5) Total underwriting price	10,489,500 thousand yen
(6) Increase in share capital and capital surplus	Increase in share capital: 5,244,750 thousand yen Increase in capital surplus: 5,244,750 thousand yen
(7) Payment date	February 23, 2026

2. Issuance of new shares via third-party allotment (related to over-allotment)

(1) Type and number of shares issued	Common stock: 1,010,100 shares
(2) Allotment price	1,248.75 yen per share
(3) Total allotment price	1,261,362 thousand yen
(4) Increase in share capital and capital surplus	Increase in share capital: 630,681 thousand yen Increase in capital surplus: 630,681 thousand yen
(5) Payment date	March 25, 2026
(6) Allottee	Nomura Securities Co., Ltd.

3. Conversion of ratchet-type subscription rights to shares

(1) Number of subscription rights converted	1 unit
(2) Face value of converted subscription rights	2,000,000 thousand yen
(3) Type and number of shares issued	Common stock: 2,352,942 shares
(4) Conversion date	February 24, 2026
(5) Increase in share capital and capital surplus	Increase in share capital: 1,000,000 thousand yen Increase in capital surplus: 1,000,000 thousand yen

4. Issuance of restricted stock

(1) Type and number of shares issued	Common stock: 53,400 shares
(2) Payment amount	685 yen per share (the closing price of the Company's common stock on the Growth Market of the Tokyo Stock Exchange on April 22, 2026)
(3) Description and value of the property constituting the object of contribution	Monetary claims against the Company totaling 36,579 thousand yen (with the amount of the monetary claim contributed per share of the shares offered being 685 yen), granted to three Directors of the Company (excluding outside directors), constitute the object of the in-kind contribution.
(4) Payment date	May 22, 2026
(5) Increase in share capital and capital surplus	Increase in share capital: 18,289 thousand yen Increase in capital surplus: 18,289 thousand yen

(Notes Regarding Going-Concern Assumption)

Not applicable.

(Notes Regarding Quarterly Consolidated Statement of Cash Flows)

The quarterly consolidated statement of cash flows for the nine months ended September 30, 2026 has not been prepared.

Depreciation (including amortization of intangible assets excluding goodwill) for each period is as follows.

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
Depreciation	47,065 thousand yen	55,316 thousand yen