



# Financial Results

## Q1 FY12/18

May 15, 2018



To accelerate drug discovery and development of mAb  
for therapeutics to overcome current medical unmet-needs

**Chiome Bioscience Inc.**



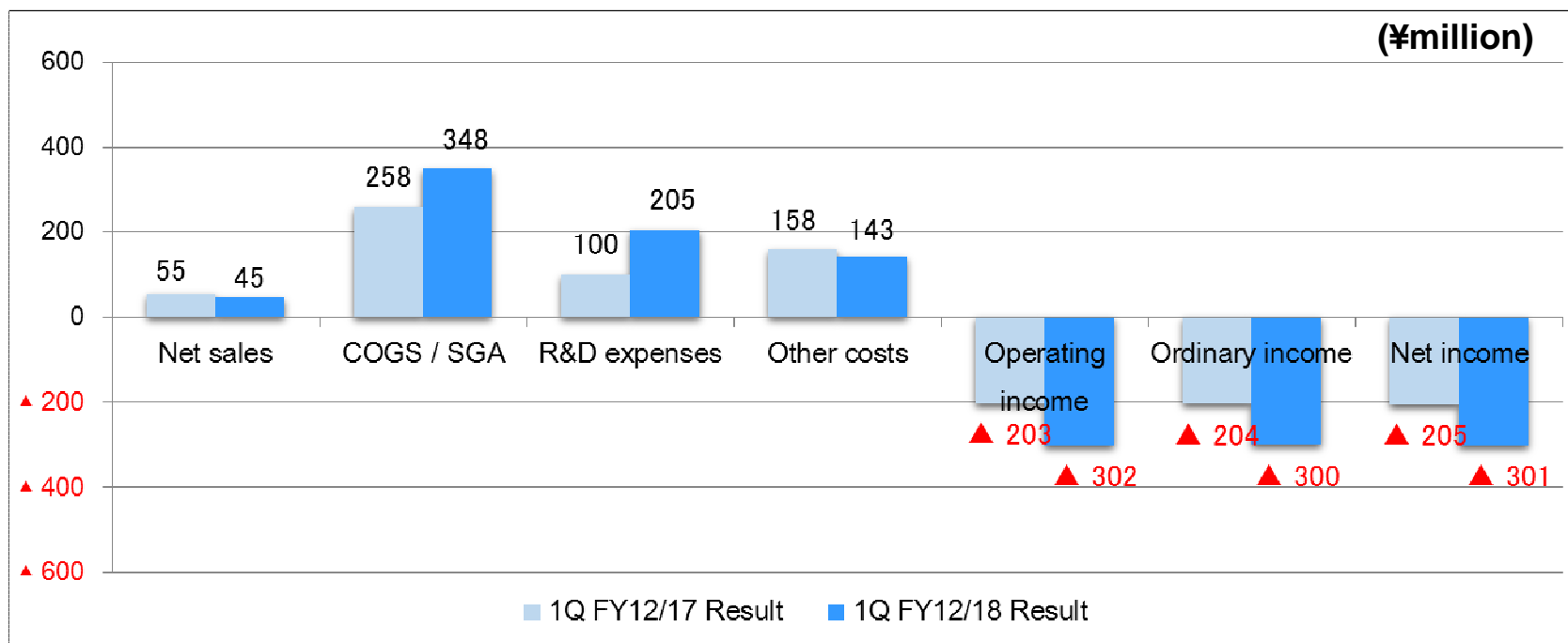
- 1. Overview of Q1 FY12/18 “Financial results”**
  - 2. Overview of Q1 FY12/18 “Operation highlights”**
- Appendix. Corporate information**



## **Overview of Q1 FY12/18 “Financial results”**

## Financial results: Profit and Loss

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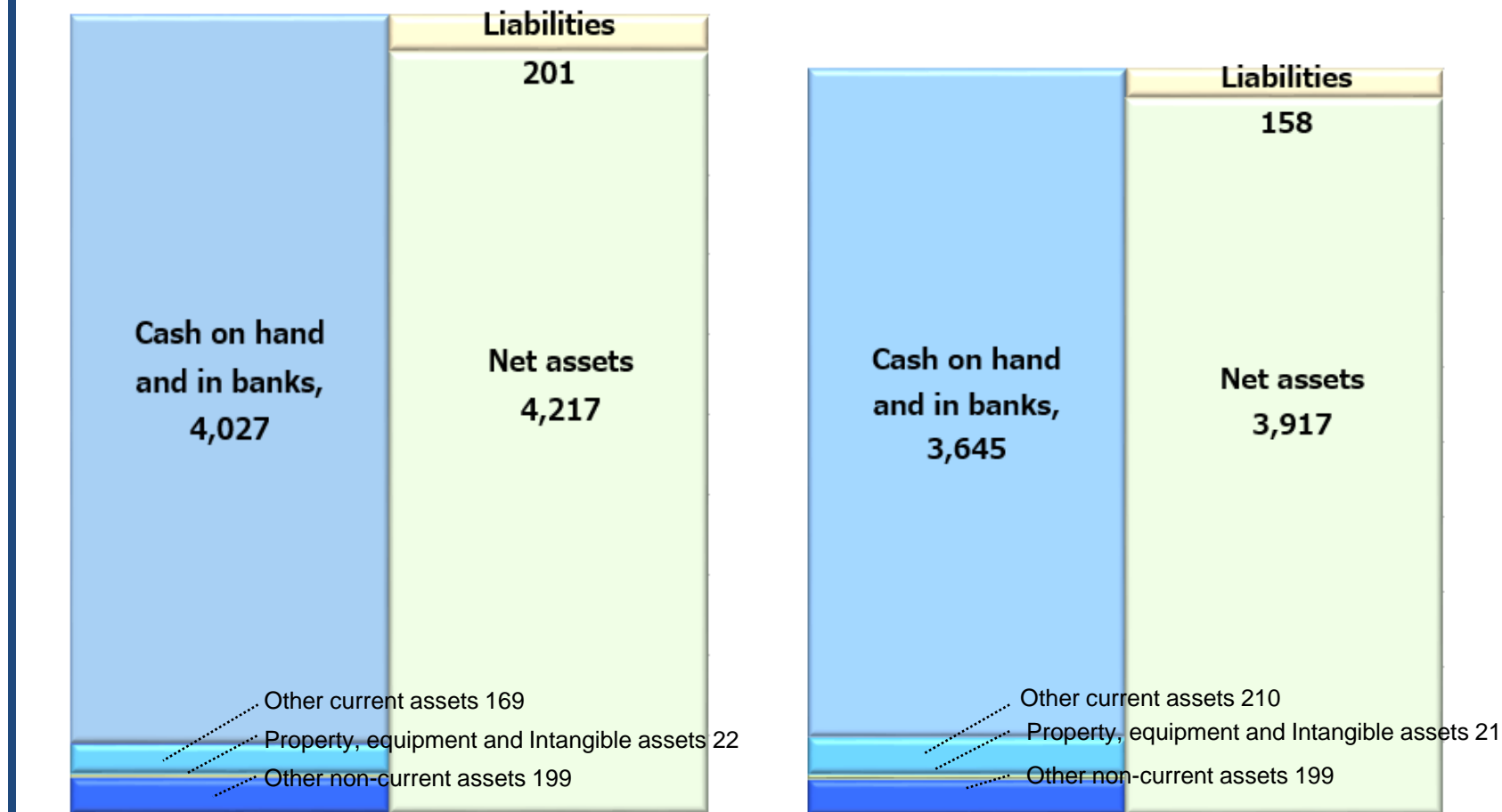
- Net Sales 45 million yen  
Drug Discovery and Development (DDD): Upfront payment of the Option License Agreement with SemaThera Inc.  
Drug Discovery Support (DDS) : Mainly consists of sales from Chugai Pharmaceutical Group and Mitsubishi Tanabe Pharma Group etc.
- R&D expenses 205 million yen  
Expenses of CMC development to manufacture Active Pharmaceutical Ingredient (API) for clinical development, collaborative research with research institutes for drug discovery and technology development were posted.



(¥million)

As of December 31, 2017

As of March 31, 2018





## **Overview of Q1 FY12/18 “Operation highlights”**



### Drug Discovery and Development Business

To discover and develop novel antibody drugs in-house or in collaboration with a partner up to late pre-clinical stage which enables to prepare data package for IND or early clinical stage in therapeutic areas where high unmet medical needs exist. The drug candidates will be out-licensed to pharmaceutical company under appropriate financial conditions such like upfront, milestone, and royalty payments etc.

### Drug Discovery Support business

To provide “fee-for-service” to pharmaceutical and diagnostics company, and academia to support their research works. Main line of this business is 1) to generate a monoclonal antibody for their targets by our proprietary platform, and 2) to express, culture, and purify proteins including antigen and antibody.



### Execution of the Collaborative Development License and Exclusive Option Agreement for anti-Semaphorin 3A antibody

Chiome has granted SemaThera Inc. an exclusive option right to obtain a worldwide exclusive license to develop the antibody as a therapeutic and/or diagnostic agent for diabetic macular edema and other diabetic complications including non-ophthalmic diseases.

#### **Humanized anti-Semaphorin 3A (SEMA 3A) Antibody**

- ✓ A humanized antibody generated using the ADLib® System.
- ✓ Demonstrated as a selective antibody possessing functional inhibitory activity through collaboration with Professor Yoshio Goshima in Yokohama City University.
- ✓ Patent granted in the U.S.; applications submitted in Japan and Europe

#### **SemaThera Inc.** (<http://www.semathera.com>)

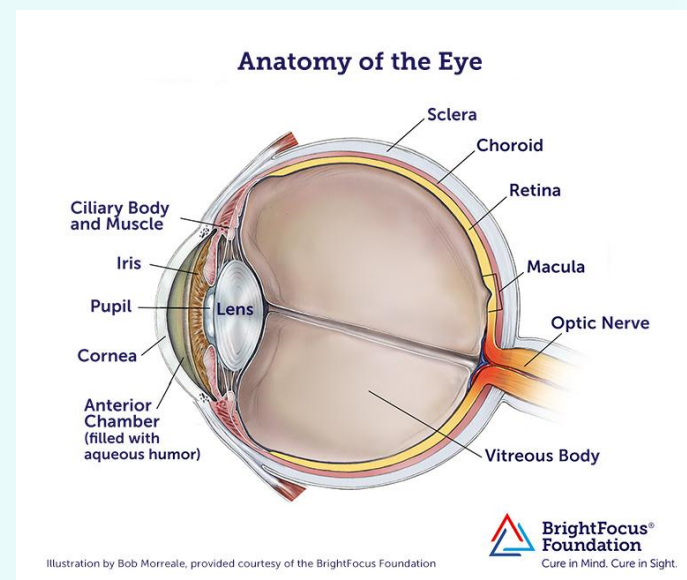
- ✓ SemaThera Inc. (Head office: Montreal, CANADA) is a biotech company focusing on the development of novel anti-SEMA 3A therapies for the treatment of several retinopathies, including diabetic macular edema and wet age-related macular degeneration.
- ✓ SemaThera holds exclusive rights to various SEMA 3A based technologies, where semaphorin 3A is involved in neo-angiogenesis, senescence and neuronal regeneration.





## Diabetic retinopathy (DR) and diabetic macular edema (DME)

- DR is one of the three most popular diabetic complications alongside diabetic nephropathy and neuropathy, and a leading cause of blindness in Japanese adults.
- DR is the result of damage or clogging of blood vessels in the retina due to a continued state of a high blood sugar level. DR progresses without subjective symptoms.
- DME is a state in which microaneurysms are developed in blood vessels of the retina, or blood components leak from blood vessels and remain within the retina. Macular edema occurs regardless of the extent of the retinopathy and causes serious blurred vision along with the progress. (The macula is the central portion of the retina having highly sensitized visual power.)





### Out-licensed product ADCT-701\* (LIV-1205ADC)

- ✓ The final part of its preclinical development to enter into clinical is proceeding on track.
- ✓ ADC Therapeutics presented encouraging preclinical data for its new investigational programs ADCT-701 at the American Association for Cancer Research (AACR) Annual Meeting 2018
  - Title:  
ADCT-701, a novel pyrrolobenzodiazepine dimer-based antibody-drug conjugate (ADC) targeting DLK1-expressing tumors (Abstract #744)
  - Highlight:  
ADCT-701 demonstrated potent and specific in vitro and in vivo anti-tumor activity in DLK1-expressing cancer-derived models and it was stable and well tolerated in rats.

#### \*ADCT-701

Chiome granted ADCT a worldwide exclusive license with a right to sublicense, develop, manufacture, and commercialize an ADC format of LIV-1205, which is coded "ADCT-701".



**To be a biotech-venture engaged in basic research to initial clinical development**

### **LIV-1205**

- ✓ LIV-1205 is in the middle of chemistry, manufacture, and control (CMC) process development to manufacture active pharmaceutical ingredients (API) for initial clinical development.
- ✓ The GLP toxicology testing is scheduled as planned.

### **Initiatives aimed at expanding pipelines**

- ✓ Strengthening drug research and development of novel drug candidates
- ✓ Launch of new collaborative research campaigns with domestic research institutions for new drug discovery and development
- ✓ Establishing collaborative research with external institutions to enhance technology portfolios.



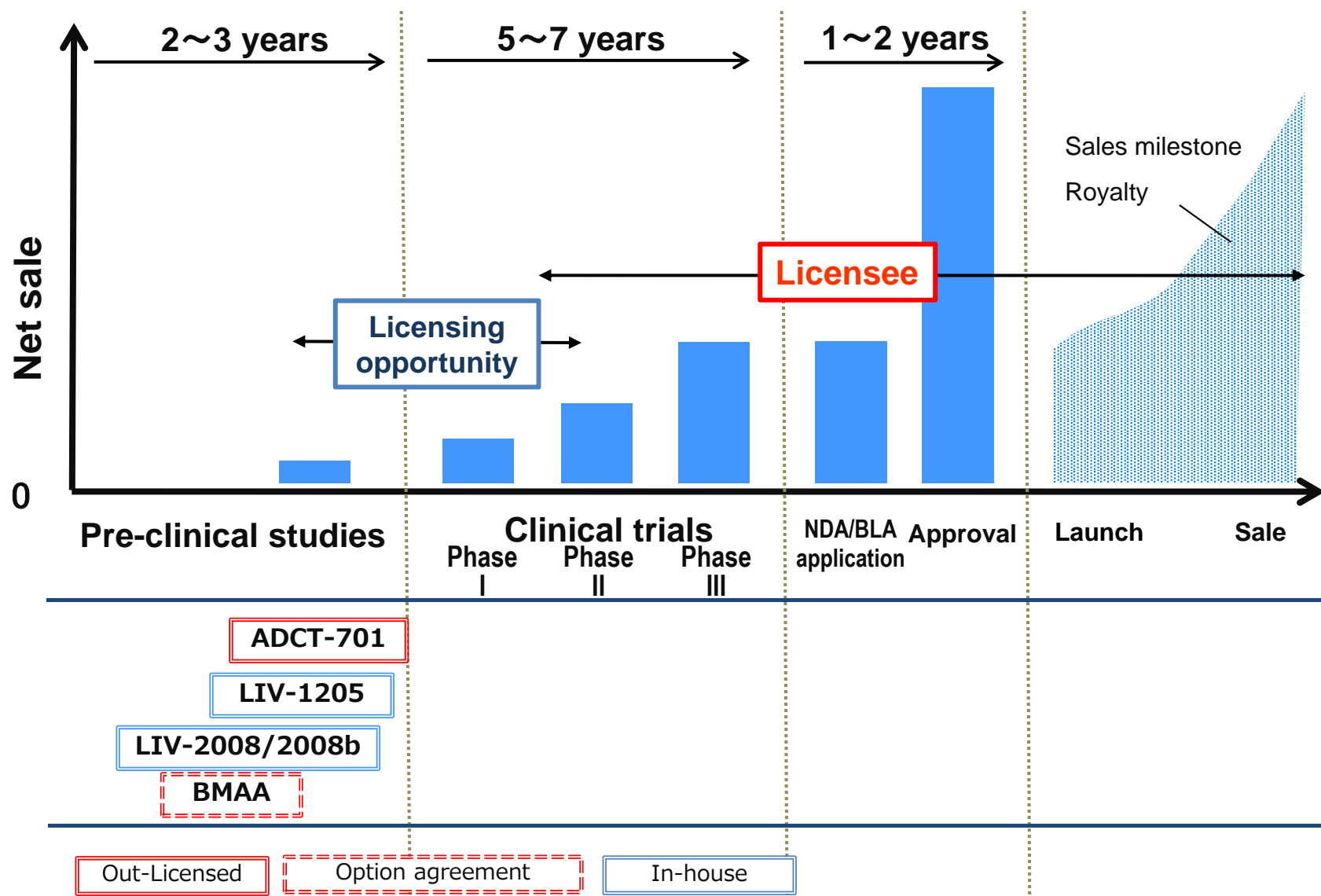
## Out-Licensed Product

Code	Target	Therapeutic Area	Basic research, Drug Discovery	Preclinical Study	Clinical Trials	Partner
ADCT-701 (LIV-1205 ADC)	DLK-1	Oncology /ADC				

## Pipelines

Project	Target	Therapeutic Area	Basic research, Drug Discovery	Preclinical Study	Clinical Trials	Partner
LIV-1205 (Naked)	DLK-1	Oncology				Licensing opportunity
LIV-2008 /2008b	TROP-2	Oncology				Licensing opportunity
BMAA	SEMA3A	DME, Others				SemaThera (Exclusive option agreement)
Discovery PJ (8)※	Undisclosed	Oncology infectious/ rare diseases				—

※ 5 joint studies in 8 discovery projects





### Execution of the Basic Entrusting Service Agreement with Ono Pharmaceutical Co., Ltd.

The Agreement is comprehensive, enabling us to execute successive and speedy transactions

#### Services provided under the Agreement

- ✓ Services related to antibody generation, such as preparation of antigens and proteins required for antibody generation
- ✓ Generation of monoclonal antibodies by using Chiome's antibody platform technology, the ADLib® system, and B cell cloning technology

#### Ono Pharmaceutical Co., Ltd.

Ono Pharmaceutical Co., Ltd. (Head Office: Osaka, JAPAN) is an R&D-oriented pharmaceutical company engaged in producing innovative drugs. The company has developed Opdivo®, an immune checkpoint inhibitor for cancer treatment. It has been expanding its indications since the first approval in September 2014.



### Conduct business with pharmaceutical companies, etc.

- ✓ Continue business transactions with Chugai Pharmaceutical Group and Mitsubishi Tanabe Pharma Group based on Master Agreements with each counterpart.
- ✓ Implementation of new antibody generation services oriented towards academia and research institutions, etc. as well as pharmaceutical companies
- ✓ Began providing protein-related services to a new account who is a leading Japanese pharmaceutical company

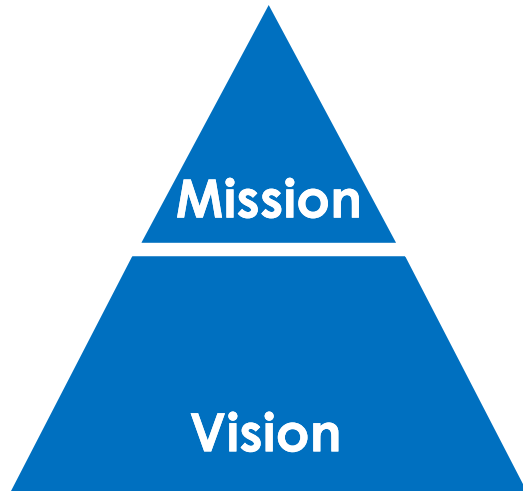
### Efforts to boost sales

- ✓ Striving to provide better services in terms of quality, productivity, accountability, and credibility.
- ✓ Marketing activities to acquire new clients



## Corporate information





### Mission

Shine light on unmet needs.  
Bring a brighter future to patients.

### Vision

Will become No. 1 biotech venture that  
discovers and develops antibody drugs  
for unmet medical needs

### Management principle

- Place the highest priority on sound management and credibility and aim to become a corporation that grows with society.
- With creativity and science, develop therapeutic drugs for unmet medical needs, and contribute to the health of patients.
- Achieve successive product pipelines and improvement of corporate value through collaboration with external institutions.



## Chiome Bioscience

### Drug Discovery & Development

#### Development of therapeutic drug and diagnostic agent

<Focused area>

- Oncology
- Rare diseases
- Designated refractory diseases

#### Growth

Promote drug development through partnership

### Drug Discovery Support

#### Contract service for drug discovery

- Antibody generation (ADLib®/B-cell cloning)
- Antigen preparation
- Antibody supply

#### Continuity

Obtain constant revenue

Make contributions to patients and community by continuously developing therapeutic candidates against unmet medical needs

Shine light on unmet needs. Bring a brighter future to patients.



## 1. Multi-platforms /Select best clone efficiently

ADLib® system  
B-cell cloning (mouse, chicken)  
Trans-chromosomal mouse/rat  
Hybridoma  
DNA immunization, Cell immunization

**Aspire to No.1 biotech venture that discover  
therapeutic antibody against unmet medical needs.**

## 2. Drug Discovery Support

Antigen preparation  
Antibody production (~25L)  
Affinity maturation  
in vitro/vivo assay

## 3. Strengthen drug candidates discovery and partnering with external experts

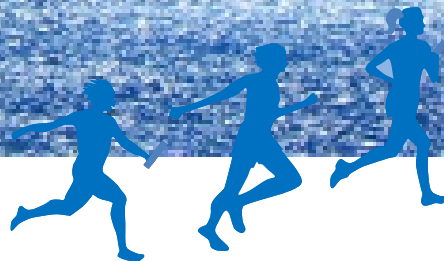


As of Mar 31, 2018

Name		Chiome Bioscience Inc.
Business		Chiome Bioscience (4583.T), is a public company leveraging a proprietary monoclonal antibody generating technology, for drug discovery and development, as well as providing drug discovery supports.
Address	Headquarters, Research Laboratories	Sumitomo-Fudosan Nishi-shinjuku bldg. No.6, 3-12-1 Honmachi, Shibuya-ku, Tokyo 151-0071 Japan TEL:+81-3-6383-3561 (reception)
	Drug Discovery Laboratories	Teikyo University Biotechnology Research Center 1F 907 Nogawa, Miyamae-ku, Kawasaki-city, Kanagawa 216-0001 Japan
Date of Establishment		February 8, 2005
Capital		5,454 million yen (As of Mar.31,2018)
Number of Employees		45 (As of Mar.31,2018)
Directors and Corporate Auditors		President, Chief Executive Officer Executive Director, Chief Financial Officer, Head of Corporate Planning Officer Shigeru Kobayashi, M.E.
		Executive Director Arihiko Bijohira
		Executive Director Akiyuki Furuya
		Audit & Supervisory Board Member Kunihiro Ohta, Ph.D.
		Audit & Supervisory Board Member Ken-ichiro Saitoh
		Audit & Supervisory Board Member Yasuhiro Tsuji, Ph.D. Nobuo Taguchi
Major shareholder		Rakuten Securities, Inc., SBI Securities Co., Ltd., Miraca Holdings, Inc.

Shine light on unmet needs.  
Bring a brighter future to patients.

To accelerate drug discovery and development of mAb  
for therapeutics to overcome current medical unmet-needs





- Materials and information provided during this presentation may contain so-called “forward-looking statements.” These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties, which could cause actual outcomes and results to differ materially from these statements.
- Risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions such as interest rate and currency exchange fluctuations.
- The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.