Non-Consolidated Financial Results (Japanese GAAP)
for the Three Months Ended March 31, 2025

May 12, 2025

Company Name: Chiome Bioscience Inc. Tokyo Stock Exchange
Stock Code: 4583 URL https://www.chiome.co.jp
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Scheduled dividend payment commencement date: —
Supplementary materials prepared for the quarterly financial results: Yes
Holding of the quarterly financial results explanatory meeting: No

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

1. Financial Results for the Three Months Ended March 31, 2025 (January 1, 2025 to March 31, 2025)

(1) Operating Results (Cumulative)

(% figures are the increase / (decrease) compared with the corresponding period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Mar. 31, 2025	138	7.0	(264)	—	(265)	—	(266)	—
Three months ended Mar. 31, 2024	129	(23.5)	(322)	—	(303)	—	(304)	—

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Three months ended Mar. 31, 2025	(3.94)	—
Three months ended Mar. 31, 2024	(5.60)	—

Notes: Despite the existence of shares with a dilutive effect, "Diluted Net Income per Share" is not stated because Chiome incurred a loss for each respective period.

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
As of Mar. 31, 2025	2,204	1,761	79.5
As of Dec. 31, 2024	2,468	1,920	77.4

(Reference) Equity As of Mar. 31, 2025: 1,751 million yen As of Dec. 31, 2024: 1,910 million yen

2. Dividends

	Annual Dividends				
	1Q-End	2Q-End	3Q-End	FY-End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year Ending Dec. 31, 2024	—	0.00	—	0.00	0.00
Fiscal Year Ending Dec. 31, 2025	—				
Fiscal Year Ending Dec. 31, 2025 (Forecast)		0.00	—	0.00	0.00

Note: Revision to the most recently announced dividend forecast: No

3. Forecasts of Financial Results for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

As it is difficult to provide reasonable estimates for Drug Discovery and Development Business at present, Chiome discloses only business forecasts for Drug Discovery Support Business (net sales of ¥500 million). There is no revision to the most recently announced forecasts of financial results.

[Notes]

(1) Application of Special Accounting Practices in the Preparation of Quarterly Financial Statements: No

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatements
- 1) Changes in accounting policies in line with revisions to accounting and other standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatements: No

(3) Number of Shares Issued (Common Stock)

1) Number of shares issued as of the end of the period (including treasury stock)	As of Mar. 31, 2025	67,769,000 shares	As of Dec. 31, 2024	66,969,000 shares
2) Number of treasury stock as of the end of the period	As of Mar. 31, 2025	12,149 shares	As of Dec. 31, 2024	12,149 shares
3) Average number of shares for the period (cumulative total for the period)	Three months ended Mar. 31, 2025	67,579,073 shares	Three months ended Mar. 31, 2024	54,308,127 shares

*This summary report on Chiome's quarterly financial statements is not subject to quarterly review procedures.

* Explanation Concerning the Proper Use of Financial Results Forecasts and Other Relevant Specific Items

Forward-looking statements including forecasts of financial results contained in this report are based on management's assumptions and beliefs that are determined to be reasonable in light of currently available information. Chiome cautions readers that due to a variety of factors actual results may differ materially from forecasts. For the assumptions that underpin financial results forecasts as well as other related items, please refer to the "1. Qualitative Information Regarding Quarterly Financial Results (3) Explanation of Forward-Looking Statements including Forecasts of Financial Results" on page 4 of this report.

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1. Qualitative Information Regarding Quarterly Financial Results

(1) Overview of Operating Results

Our company is engaged in antibody drug development for areas with high unmet medical needs, leveraging our proprietary antibody generation technology and drug discovery expertise, as well as providing drug discovery support services such as antibody generation and protein expression/purification to pharmaceutical companies and academia.

In the drug discovery business, Phase I clinical studies are underway for CBA-1205 and CBA-1535, both are therapeutic antibodies for cancer under development in-house. Regarding CBA-1205, case registration for the melanoma cohort we have decided to add last year is in progress in addition to patients with hepatocellular carcinoma at the second part of the study during the first quarter under review. Furthermore, we are considering adding a part targeting paediatric cancer within the year. Discussions are currently underway with the relevant parties. For CBA-1535, a multi-specific antibody for cancer treatment, we continue the dose escalation to assess the safety in patients with solid tumors. For other drug discovery pipeline products, introductions and discussions are underway with companies that are potential candidates for out-licensing.

In the drug discovery support business, while focusing on transactions with existing major clients, we continue to promote activities to stabilize its revenue base by acquiring new clients in this first quarter.

In addition, we launched new IDD business (platform type business for antibody drug discovery) in the first quarter, and currently discussions are in progress with possible partner companies toward building a framework of the business. As part of our initiatives in the IDD business, based on the business alliance agreement concluded with Kidswell Bio Corporation in June last year, we are promoting efforts related to the development of new biosimilar medical products. In collaboration with the company, discussions are underway with potential partner companies to develop new biosimilar medical products.

We have also entered into a business alliance agreement with SRD Corporation Ltd. in March, 2025 as a part of IDD business initiatives expecting to offer our know-how to drug discovery development and drug discovery venture fostering. With regards to this matter, we will offer consulting services towards antibody drug discovery seeds in drug discovery venture companies to generate revenue from it.

The Company's performance for the first quarter under review was as follows. Net sales of ¥138,699 thousand (an increase of ¥9,055 thousand year-on-year), R&D expenses amounted to ¥203,792 thousand (a decrease of ¥42,613 thousand year-on-year), operating loss of ¥264,560 thousand (operating loss of ¥322,155 thousand in the same period of the previous year), ordinary loss of ¥265,606 thousand (ordinary loss of ¥303,019 thousand in the same period of the previous year), net loss of ¥266,066 thousand (net loss of ¥304,024 thousand in the same period of the previous year). For R&D expenses, the expenses, such as clinical development related expenses decreased from the same period of the previous year. Therefore, operating loss, ordinary loss, and net loss for this period all showed a reduction in the deficit compared to the previous year.

The overview of each business for the quarter under review was as follows.

・Drug Discovery Business

➢ Drug Discovery Pipeline (out-licensed products)

PFKR is a therapeutic antibody candidate for autoimmune disease in CNS area targeting CX3CR1, a kind of G protein-coupled receptors. Our company and the National Center of Neurology and Psychiatry are progressing with a joint research program. We entered into an exclusive license agreement with Asahi Kasei Pharma in November 2024.

➢ Drug Discovery Pipeline (main in-house programs, out-licensing candidates)

For CBA-1205, we have been conducting a Phase I clinical study in Japan. The main purpose of the study is to evaluate the safety and tolerability in patients with solid tumors in the first part and in specific cancer patients in the second part of the study. We have completed the patient enrollment of the first part, and the high safety and tolerability of the antibody have been shown. In addition, a melanoma (a type of high-risk skin cancer) patient has been dosed with CBA-1205 for more than 45 months with SD (stable disease) assessment including tumor shrinkage, and dosing is still ongoing. In light of the progress, after discussing the possibility of development for melanoma with chief investigators and others, we have added a cohort for melanoma patients at the second part of the study at the end of last year and started dosing in the cohort. Furthermore, joint research with a research institute in Europe suggested involvement of DLK-1 in pediatric solid tumors, and the antibody has shown high safety from adult patients dosing results which allows administration to children possible, therefore, we are working on adding a cohort for pediatric cancer patients within this year. We will proceed with enrolling pediatric patients as well as hepatocellular carcinoma and melanoma patients and evaluating the safety and initial efficacy in parallel to acquire data to support possible out-licensing opportunities as well as maximize the product value.

A Phase I clinical study of CBA-1535 in patients with solid tumors is also underway in Japan. In the first part, we evaluate the safety and tolerability of CBA-1535 as a single agent, and in the second part, in combination with a checkpoint inhibitor. Currently the first part is in progress and no data on safety raises the development concern. The change in blood biomarkers has started to show which indicates T-cell activation, which is the concept of the study drug. Regarding the starting date of the second part, we will start after confirming the efficacy signals of single agent in the first part of the study to rationally control our clinical development investment with the possible out-licensing opportunities. We will continue to promote clinical studies while keeping future out-licensing opportunities in mind using the clinical data of the first part.

PTRY is a Tribody® antibody and is expected to add immune checkpoint inhibitory function on the T-cell engager function of CBA-1535. Its initial evaluations using animal models have shown strong anti-tumor effects. For the development of this product, we have decided to prioritize out-licensing to other pharmaceutical companies who can enter commercialization and clinical development rather than carrying out early clinical development by ourselves. This is because we can expect licensing out in pre-clinical stages depending on the development status of CBA-1535.

For PCDC, we are working on out-licensing activities, mainly for using ADC as an antibody-drug conjugate of humanized anti-CDCP1 antibody. Amid growing global interest in ADC, we are promoting out-licensing activities with pharmaceutical companies that own ADC technologies.

PXLR is a therapeutic cancer antibody targeting CXCL1, which is highly expressed in cancers such as gastric and pancreatic cancer. It is a new out-licensing candidate, and a joint research program with Osaka Metropolitan University is in progress.

➢ IDD Business

Our company has been promoting the creation of drug seeds and making them into intellectual property to expand our pipeline and explore out-licensing opportunities. In addition, we are currently focusing on collaboration with pharmaceutical companies to enhance profitability through IDD business by using our technology and know-how in antibody drug discovery.

As a result of the above, the results for the first quarter under review in the drug discovery business were as follows. R&D expenses amounted to ¥203,792 thousand due to the progress of clinical development (a decrease of ¥42,613 thousand year-on-year), and segment loss of ¥203,792 thousand (segment loss of the same quarter last year was ¥246,405 thousand).

・Drug Discovery Support Business

Drug discovery support business contributes to the company's stable earnings. We offer research support by undertaking antibody production work using our antibody technology ADLib® system and we are developing research support for biopharmaceuticals, mainly to major domestic pharmaceutical companies such as Ono Pharmaceutical Co., Ltd. and Chugai Pharmaceutical Co., Ltd. Our technical service capabilities are highly recognized by our client companies. In this first quarter, we continued to acquire new clients, and we will continue to promote the activities to stabilize its revenue base.

The results for the first quarter of current year under review in the drug discovery support business were as follows. Net sales of ¥138,699 thousand (an increase of ¥9,055 thousand year-on-year), segment profit of ¥80,642 thousand (an increase of ¥23,643 thousand year-on-year), segment profit margin of 58.1% (target 50%).

(2) Overview of Financial Position

(Assets)

Total assets as of the end of the first quarter of the fiscal year amounted to ¥2,204,525 thousand, a decrease of ¥264,331 thousand from the end of the previous fiscal year, mainly due to the decrease in cash on hand and in banks.

(Liabilities)

Total liabilities as of the end of the first quarter amounted to ¥443,438 thousand, a decrease of ¥105,115 thousand from the end of the previous fiscal year. This is mainly due to a decrease of accounts payable, other.

(Net assets)

Total net assets at the end of the first quarter of amounted to ¥1,761,087 thousand, a decrease of ¥159,216 thousand. This is mainly due to the recording of a net loss for the quarter, which led to a decrease in retained earnings."

(3) Explanation of Forward-Looking Statements including Forecasts of Financial Results

There are no changes to the financial results forecasts for the fiscal year ending December 31, 2025, announced on February 13, 2025.

The impact of the U.S. reciprocal tariff measures on our business operations is currently expected to be minimal.

2. Quarterly Financial Statements

(1) Quarterly Balance Sheets

Thousand yen

	As of Dec. 31, 2024	As of Mar. 31, 2025
Assets		
Current assets		
Cash on hand and in banks	2,063,280	1,818,759
Accounts receivable	51,063	47,639
Inventories	46,171	48,004
Advance payment-trade	101,992	102,430
Consumption taxes receivable	24,425	6,751
Other current assets	50,738	52,804
Total current assets	2,337,672	2,076,389
Non-current assets		
Property and equipment		
Machinery	230,491	226,073
Accumulated depreciation	(230,491)	(226,073)
Machinery, net	0	0
Tools and equipment	82,364	82,364
Accumulated depreciation	(82,364)	(82,364)
Tools and equipment, net	0	0
Total property and equipment	0	0
Investments and other assets		
Long-term prepaid expenses	18,375	15,326
Lease deposits and others	112,809	112,809
Others	0	0
Total investments and other assets	131,184	128,135
Total non-current assets	131,185	128,136
Total assets	2,468,857	2,204,525

Thousand yen

	As of Dec. 31, 2024	As of Mar. 31, 2025
Liabilities		
Current liabilities		
Accounts payable, trade	27,196	29,997
Short-term borrowings	281,500	281,500
Accounts payable, other	138,103	55,727
Accrued expenses	29,557	10,428
Income taxes payable	2,531	4,427
Deposits received	14,543	6,128
Total Current liabilities	493,432	388,209
Non-current liabilities		
Asset retirement obligations	55,120	55,228
Total non-current liabilities	55,120	55,228
Total liabilities	548,553	443,438
Net assets		
Shareholders' equity		
Capital stock	995,525	1,049,325
Capital reserve	1,935,799	1,989,599
Retained earnings	(1,020,776)	(1,286,842)
Treasury stock	(292)	(292)
Total shareholders' equity	1,910,255	1,751,789
Subscription rights to shares	10,048	9,298
Total net assets	1,920,303	1,761,087
Total liabilities and net assets	2,468,857	2,204,525

(2) Quarterly Statement of Income

(First Quarter Cumulative)

Thousand yen

	Three Months Ended Mar. 31, 2024 (Jan. 1, 2024 to Mar. 31, 2024)	Three Months Ended Mar. 31, 2025 (Jan. 1, 2025 to Mar. 31, 2025)
Net sales	129,644	138,699
Cost of sales	72,645	58,056
Gross profit	56,998	80,642
Selling, general and administrative expenses		
Research and development expenses	246,405	203,792
Other, net	132,749	141,410
Total selling, general and administrative expenses	379,154	345,203
Operating loss	(322,155)	(264,560)
Non-operating income		
Interest income	6	722
Foreign exchange gains	567	568
Subsidy income	19,738	—
Other, net	695	90
Total non-operating income	21,008	1,381
Non-operating expenses		
Interest expenses	568	905
Share issuance cost	1,303	1,521
Total non-operating expenses	1,872	2,426
Ordinary loss	(303,019)	(265,606)
Extraordinary income		
Gain on reversal of share acquisition rights	248	350
Total extraordinary income	248	350
Loss before income taxes	(302,771)	(265,256)
Income taxes-current	1,252	810
Total income taxes	1,252	810
Net loss	(304,024)	(266,066)

(3) Notes Concerning Quarterly Financial Statements

(Notes Regarding Going Concern Assumptions)

Not applicable.

(Notes Regarding Substantial Changes in Shareholders' Equity)

During the first cumulative period, the balance of capital stock and capital reserve increased separately by 53,800 thousand due to exercise of the Subscription Rights to Shares. As a result, as of March 31, 2025, the balance of capital stock and capital reserve came to ¥1,049,325 thousand and ¥1,989,599 thousand, respectively.

(Notes to quarterly cash flow statement)

The cash flow statement for the three months is not present herein. Depreciation and amortization for the three months are as follows.

(Thousand yen)

	Three Months Ended Mar. 31, 2024 (Jan.1, 2024 to Mar. 31, 2024)	Three Months Ended Mar. 31, 2025 (Jan. 1, 2025 to Mar. 31, 2025)
Depreciation and amortization	293	—

(Segment information)

The Three Months Ended March 31, 2024 (January 1, 2024 to March 31, 2024)

(Thousand yen)

	Reportable Segments		Total	Adjustments (Note 1)	Amount Recorded on the Balance Sheet (Note 2)
	Drug Discovery and Development Business	Drug Discovery Support Business			
Net sales					
Goods or services transferred at one point of time	—	35,057	35,057	—	35,057
Goods or services transferred over a period of time	—	94,586	94,586	—	94,586
Revenue from contracts with customers	—	129,644	129,644	—	129,644
Sales to external customers	—	129,644	129,644	—	129,644
Internal sales or exchange between segments	—	—	—	—	—
Total	—	129,644	129,644	—	129,644
Segment income (loss)	(246,405)	56,998	(189,406)	(132,749)	(322,155)

Notes:

1. Details regarding adjustments are presented as follows:
   (1) Adjustments to segment income (loss) are selling, general and administrative expenses that relate to areas other than research and development.

(2) Segment assets are not allocated between segments because all assets of the Company are unified in their generation of cash flows and apply to multiple antibody generation technologies. Accordingly, the amount of total assets recorded on the balance sheet is presented as the adjustment balance.

2. The total amount of segment income (loss) is reconciled with operating loss recorded in the statement of income.

The Three Months Ended March 31, 2025 (January 1, 2025 to March 31, 2025)

(Thousand yen)

	Reportable Segments		Total	Adjustments (Note 1)	Amount Recorded on the Balance Sheet (Note 2)
	Drug Discovery and Development Business	Drug Discovery Support Business			
Net sales					
Goods or services transferred at one point of time	—	49,951	49,951	—	49,951
Goods or services transferred over a period of time	—	88,747	88,747	—	88,747
Revenue from contracts with customers	—	138,699	138,699	—	138,699
Sales to external customers	—	138,699	138,699	—	138,699
Internal sales or exchange between segments	—	—	—	—	—
Total	—	138,699	138,699	—	138,699
Segment income (loss)	(203,792)	80,642	(123,149)	(141,410)	(264,560)

Notes:

1. Details regarding adjustments are presented as follows:
   (1) Adjustments to segment income (loss) are selling, general and administrative expenses that relate to areas other than research and development.
   (2) Segment assets are not allocated between segments because all assets of the Company are unified in their generation of cash flows and apply to multiple antibody generation technologies. Accordingly, the amount of total assets recorded on the balance sheet is presented as the adjustment balance.
2. The total amount of segment income (loss) is reconciled with operating loss recorded in the statement of income.

(Important subsequent events)

Not applicable.