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Consolidated Financial Results for the Three Months Ended April 30, 2026 [Japanese GAAP]



June 15, 2026

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 Stock exchange listing: Tokyo Stock Exchange
 Code number: 4592
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 Scheduled date of commencing dividend payments: —
 Availability of supplementary briefing material on financial results: No
 Schedule of financial results briefing session: No

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

1. Consolidated Financial Results for the Three Months Ended April 30, 2026 (February 1, 2026 to April 30, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Operating revenue		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended April 30, 2026	—	—	(953)	—	(779)	—	(836)	—
April 30, 2025	—	—	(1,007)	—	(1,750)	—	(1,531)	—

(Note) Comprehensive income: Three months ended April 30, 2026: ¥(972) million [–%]
 Three months ended April 30, 2025: ¥(880) million [–%]

	Net income per share	Diluted net income per share
Three months ended	Yen	Yen
April 30, 2026	(10.71)	—
April 30, 2025	(21.38)	—

(Note) Diluted net income per share is not stated, as net loss per share was recorded although there are potential shares with dilutive effect.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of April 30, 2026	14,517	12,677	85.5	159.10
As of January 31, 2026	15,621	13,604	85.4	170.93

(Reference) Equity: As of April 30, 2026: ¥12,418 million
 As of January 31, 2026: ¥13,338 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended January 31, 2026	Yen —	Yen 0.00	Yen —	Yen 0.00	Yen 0.00
Fiscal year ending January 31, 2027	—				
Fiscal year ending January 31, 2027 (Forecast)		0.00	—	0.00	0.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending January 31, 2027 (February 1, 2026 to January 31, 2027)

(% indicates changes from the previous corresponding period.)

	Operating revenue		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	—	—	(2,906)	—	(2,908)	—	(2,909)	—	(37.28)
Full year	396	—	(5,229)	—	(5,074)	—	(5,133)	—	(65.77)

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

Notes:

- (1) Significant changes in the scope of consolidation during the period under review: No
- (2) Accounting policies adopted specially for 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 the revision of accounting standards: 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 issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - April 30, 2026: 78,058,883 shares
 - January 31, 2026: 78,033,331 shares
 - 2) Total number of treasury shares at the end of the period:
 - April 30, 2026: 540 shares
 - January 31, 2026: 540 shares
 - 3) Average number of shares during the period:
 - Three months ended April 30, 2026: 78,039,497 shares
 - Three months ended April 30, 2025: 71,648,029 shares

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No

*** Explanation of the proper use of the financial results forecast and other notes**

The earnings forecasts and other forward-looking statements herein are based on information available to the Company at the time of preparation and certain assumptions deemed to be reasonable, and the Company does not assure the achievement of any of these. Furthermore, actual results may vary significantly due to various factors. For the assumptions and notes for earnings forecasts, please refer to “1. Overview of Operating Results, etc., (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attachment.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period under Review

In the Japanese regenerative medicine industry, the practical application of regenerative medicine products has been making progress under the Act on the Safety of Regenerative Medicine and the Revised Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices. In addition, in the U.S., expedited approvals based on the Regenerative Medicine Advanced Therapy (RMAT) program established under the 21st Century Cures Act are implemented. Thus, the development of regulatory systems and the practical application of regenerative medicine are advancing both in Japan and the U.S.

In this environment, the Group (hereinafter referring to two companies: the Company and SanBio, Inc. of Oakland, California, U.S.) has promoted research and development aiming at the commercialization of its unique cell therapeutic agent, SB623, mainly for central nervous system diseases with high unmet medical needs.

For the SB623 development program for treatment of chronic traumatic brain injury (hereinafter the “Program”), in November 2018, the primary endpoint was met in the Phase 2 global clinical trial including Japan, and in April 2019, the Program in Japan was designated as a product under the “SAKIGAKE Designation System.” Developed under this framework, “AKUUGO® suspension for intracranial implantation; hereinafter ‘AKUUGO®’” received conditional and time-limited manufacturing and marketing approval in July 2024. In December 2025, approval was granted for partial changes to its manufacturing and marketing approval for the purpose of lifting the shipment restrictions. Thereafter, in May 2026, AKUUGO® was listed in the Drug Price Standard under the National Health Insurance (NHI) system in Japan, its NHI price was determined at ¥72 million, and marketing has commenced.

Going forward, based on AKUUGO®’s track record in Japan, where it has obtained marketing approval, received approval for a partial change related to the shipment restriction, been listed on the NHI drug price list, and commenced commercial sales, we will continue to promote initiatives toward global expansion, including in the U.S., as well as the expansion of indications to conditions such as cerebral infarction. In the U.S., for the development targeting traumatic brain injury, the Company has reached an agreement with the U.S. Food and Drug Administration (FDA) on the Phase 3 clinical trial design and is proceeding with preparations to initiate the clinical trial. In Japan, the Company plans to hold discussions with the Pharmaceuticals and Medical Devices Agency (PMDA) regarding the ischemic stroke program and is promoting preparations to initiate the clinical trial. Through these initiatives, the Company aims to ensure its medium- to long-term growth opportunities.

Under these circumstances, during the three months ended April 30, 2026, the Company recorded ¥680 million in research and development expenses mainly consisting of those related to receiving the approval of partial changes to the items that have been approved for the manufacture and marketing for AKUUGO®. As a result, operating loss was ¥953 million (operating loss of ¥1,007 million for the same period in the previous fiscal year). On the other hand, the Company recorded ¥177 million in foreign exchange gains as non-operating income, owing to the foreign exchange gains resulting from fluctuations in foreign exchange rates. Furthermore, ordinary loss was ¥779 million (ordinary loss of ¥1,750 million for the same period in the previous fiscal year), and net loss attributable to owners of parent was ¥836 million (net loss attributable to owners of parent of ¥1,531 million for the same period in the previous fiscal year).

The Group consists of a single business segment, cell therapeutic agent using modified allogeneic stem cells. Therefore, description of business performance by segment is omitted.

(2) Overview of Financial Position for the Period under Review

(Current assets)

The balance of current assets at the end of the first quarter of the fiscal year under review was ¥14,316 million, a decrease of ¥1,173 million compared to the end of the previous fiscal year (¥15,489 million), mainly due to a decrease of ¥1,085 million in cash and deposits.

(Non-current assets)

The balance of non-current assets at the end of the first quarter of the fiscal year under review was ¥201 million, an increase of ¥69 million compared to the end of the previous fiscal year (¥131 million), mainly due to an increase of ¥54 million in property, plant and equipment.

(Current liabilities)

The balance of current liabilities at the end of the first quarter of the fiscal year under review was ¥270 million, a decrease of ¥264 million compared to the end of the previous fiscal year (¥534 million), mainly due to a decrease of ¥195 million in accrued expenses.

(Non-current liabilities)

The balance of non-current liabilities at the end of the first quarter of the fiscal year under review was ¥1,569 million, an increase of ¥87 million compared to the end of the previous fiscal year (¥1,482 million), due to an increase of ¥55 million in deferred tax liabilities.

(Net assets)

Total net assets at the end of the first quarter of the fiscal year under review were ¥12,677 million, a decrease of ¥926 million compared to the end of the previous fiscal year (¥13,604 million), mainly due to the recording of ¥836 million in net loss attributable to owners of parent and a decrease of ¥136 million in foreign currency translation adjustment.

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

No revisions have been made to the consolidated financial results forecast for the first half and the full year of the fiscal year under review, as released on May 13, 2026.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of January 31, 2026	As of April 30, 2026
Assets		
Current assets		
Cash and deposits	15,083,233	13,997,814
Advance payments	198,936	145,473
Other	207,376	172,908
Total current assets	15,489,546	14,316,196
Non-current assets		
Property, plant and equipment	69,115	123,683
Intangible assets	43,891	43,891
Investments and other assets	18,986	34,054
Total non-current assets	131,993	201,630
Total assets	15,621,539	14,517,826
Liabilities		
Current liabilities		
Current portion of long-term loans payable	129,000	62,000
Accounts payable - other	165,452	125,292
Accrued expenses	212,671	16,999
Income taxes payable	1,210	302
Provision for bonuses	12,523	51,091
Other	13,436	14,445
Total current liabilities	534,293	270,132
Non-current liabilities		
Convertible bond-type bonds with stock acquisition rights	1,109,700	1,117,800
Deferred tax liabilities	372,879	428,701
Asset retirement obligations	-	23,241
Total non-current liabilities	1,482,579	1,569,743
Total liabilities	2,016,873	1,839,875
Net assets		
Shareholders' equity		
Capital stock	8,375,431	8,401,781
Capital surplus	12,086,873	12,113,224
Retained earnings	(995,899)	(1,831,940)
Treasury shares	(1,164)	(1,164)
Total shareholders' equity	19,465,240	18,681,900
Accumulated other comprehensive income		
Foreign currency translation adjustment	(6,126,751)	(6,263,093)
Total accumulated other comprehensive income	(6,126,751)	(6,263,093)
Subscription rights to shares	266,177	259,144
Total net assets	13,604,666	12,677,951
Total liabilities and net assets	15,621,539	14,517,826

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income

(Thousand yen)

	For the three months ended April 30, 2025	For the three months ended April 30, 2026
Operating revenue	–	–
Operating expenses		
Research and development expenses	723,135	680,758
Other selling, general and administrative expenses	284,212	272,578
Total operating expenses	1,007,347	953,337
Operating loss	(1,007,347)	(953,337)
Non-operating income		
Interest income	601	10,801
Foreign exchange gains	–	177,049
Other	32	31
Total non-operating income	634	187,882
Non-operating expenses		
Interest expenses	1,893	730
Interest expenses on bonds	5,400	8,100
Foreign exchange losses	711,987	–
Financing expenses	934	5,437
Share issuance costs	23,353	63
Total non-operating expenses	743,569	14,331
Ordinary loss	(1,750,282)	(779,785)
Extraordinary income		
Gain on reversal of subscription rights to shares	–	1,478
Total extraordinary income	–	1,478
Loss before income taxes	(1,750,282)	(778,307)
Income taxes - current	302	1,912
Income taxes - deferred	(219,094)	55,821
Total income taxes	(218,791)	57,733
Net loss	(1,531,490)	(836,041)
Net loss attributable to owners of parent	(1,531,490)	(836,041)

Quarterly Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the three months ended April 30, 2025	For the three months ended April 30, 2026
Net loss	(1,531,490)	(836,041)
Other comprehensive income		
Foreign currency translation adjustment	651,269	(136,341)
Total other comprehensive income	651,269	(136,341)
Comprehensive income	(880,221)	(972,382)
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	(880,221)	(972,382)
Comprehensive income attributable to non-controlling interests	-	-

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on segment information, etc.)

<Segment information>

I For the three months ended April 30, 2025 (from February 1, 2025 to April 30, 2025)

Segment information is omitted as the Group consists of a single business segment, cell therapeutic agent using modified allogeneic stem cells.

II For the three months ended April 30, 2026 (from February 1, 2026 to April 30, 2026)

Segment information is omitted as the Group consists of a single business segment, cell therapeutic agent using modified allogeneic stem cells.

(Notes in the event of significant changes in shareholders' equity)

I For the three months ended April 30, 2025 (from February 1, 2025 to April 30, 2025)

During the three months ended April 30, 2025, the Company received a payment for the third-party allotment from CVI Investments, Inc. with March 3, 2025 as the date of payment, and capital stock and capital reserves each increased by ¥500,000 thousand.

As a result, at the end of the first quarter of the fiscal year ended January 31, 2026, capital stock and capital surplus were ¥2,996,192 thousand and ¥6,707,635 thousand, respectively.

II For the three months ended April 30, 2026 (from February 1, 2026 to April 30, 2026)

During the three months ended April 30, 2026, capital stock and capital reserves each increased by ¥26,350 thousand due to the exercise of share acquisition rights as stock options.

As a result, at the end of the first quarter of the fiscal year ending January 31, 2027, capital stock and capital surplus were ¥8,401,781 thousand and ¥12,113,224 thousand, respectively.

(Notes on going concern assumption)

None

(Notes to quarterly consolidated statements of cash flows)

Quarterly consolidated statements of cash flows for the three months ended April 30, 2026 are not prepared. Depreciation for the three months ended April 30, which includes amortization of intangible assets, is as follows:

	(Thousand yen)	
	For the three months ended April 30, 2025	For the three months ended April 30, 2026
Depreciation	1,900	4,016