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Veritas In Silico

Bringing new hope with mRNA-targeted drugs

Fiscal Year Ended December 31, 2024

Financial Results

Veritas In Silico Inc.

Ticker code: 130A

February 13, 2025

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Statements made in this document with respect to future business activities and performance are forward-looking statements. Forward-looking statements include, but are not limited to, "aim," "anticipate," "assume," "believe," "continue," "attempt," "estimate," "anticipate," "measures," "intend," "project," "may," "plan," "potential," "probability," "project," "risk," "should," "pursue forward-looking statements, including "should," "seeks," "targets," "will," or other similar expressions that describe future business activities, performance, events or circumstances. Forward-looking statements are based on management's assumptions and beliefs in light of the information available to it at the time these materials were prepared and involve a number of risks and uncertainties. Therefore, these forward-looking statements are subject to various risks and uncertainties that could cause actual future business operations and results to differ materially from those expressed or implied by such forward-looking statements. Therefore, you are cautioned not to place undue reliance on forward-looking statements.

Highlights for FY2024 and Forecast for FY2025

Platform business for mRNA-targeted small molecule drug discovery performed well

Joint drug discovery research is underway with four pharmaceutical companies utilizing the drug discovery platform, ibVIS®.
The company achieved milestones with Takeda and Shionogi and obtained several small molecule compounds with targeted profiles through cell-based assay with RaQualia Pharma.

Established framework to create an in-house pipeline for transition to a hybrid business

We resumed research on our proprietary nucleic acid drugs.
To enhance the feasibility of creating an in-house pipeline for small molecule drugs, we entered into a collaboration development & commercialisation agreement with LCC Therapeutics in the UK for mRNA-targeted small molecule drugs in December 2024

Business revenue for FY2024 was 194 million yen, net loss was 236 million yen

Business revenue totaled 194 million yen due to research support funds, milestone payments, etc.
Net loss was 236 million yen due to business expenses of 407 million yen, listing-related expenses of 22 million yen, etc.

Projected return to profitability in FY2025

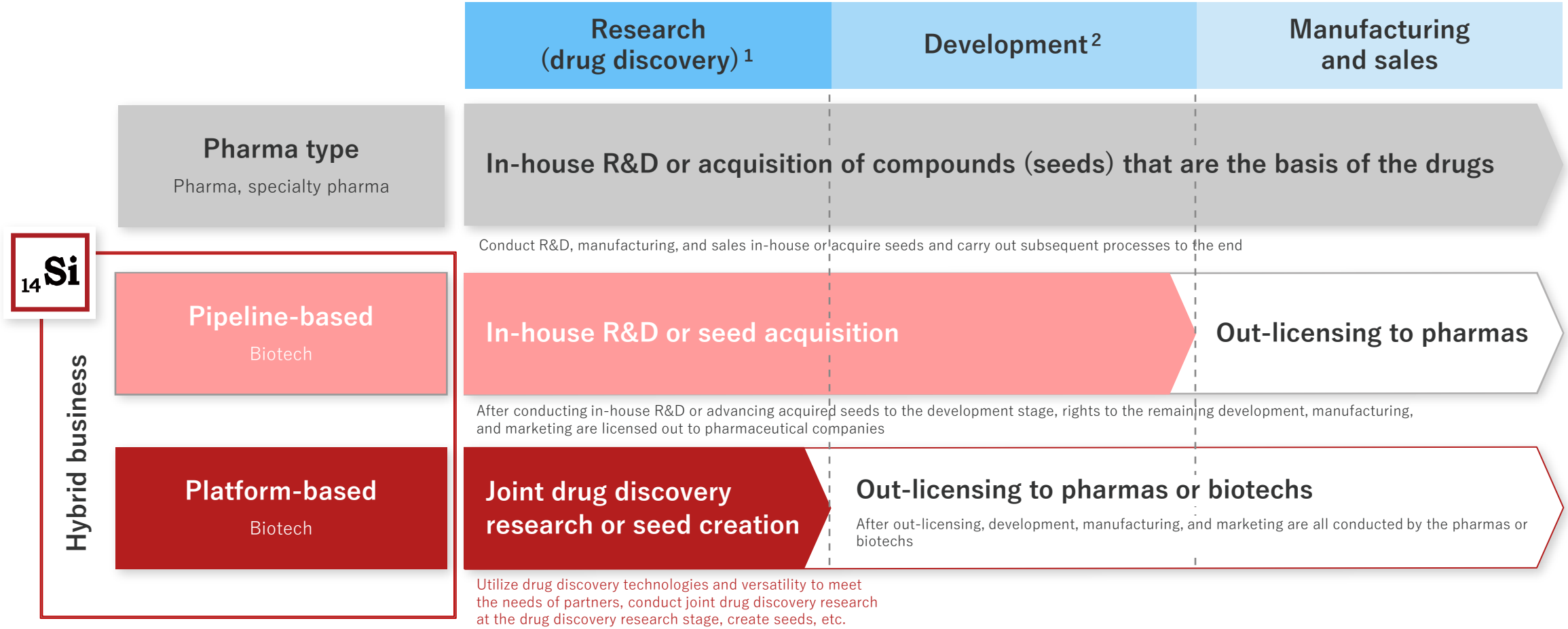
Business revenue is expected to increase by 593 million yen year-on-year due to upfront payments from new drug discovery research agreements with pharmaceutical companies, etc. Business expenses are expected to increase by 217 million yen year-on-year due to an increase in R&D expenses, etc. Net profit is expected to be 168 million yen.

Contents

1 Business Model

Shift from platform business to hybrid business, leveraging platform technology

We focus on a platform-based business, leveraging our technological capabilities in mRNA-targeted small molecule drug discovery to meet a wide range of needs. Utilizing the expertise developed through our platform-based business, we have commenced expanding into a hybrid business to create our own pipeline

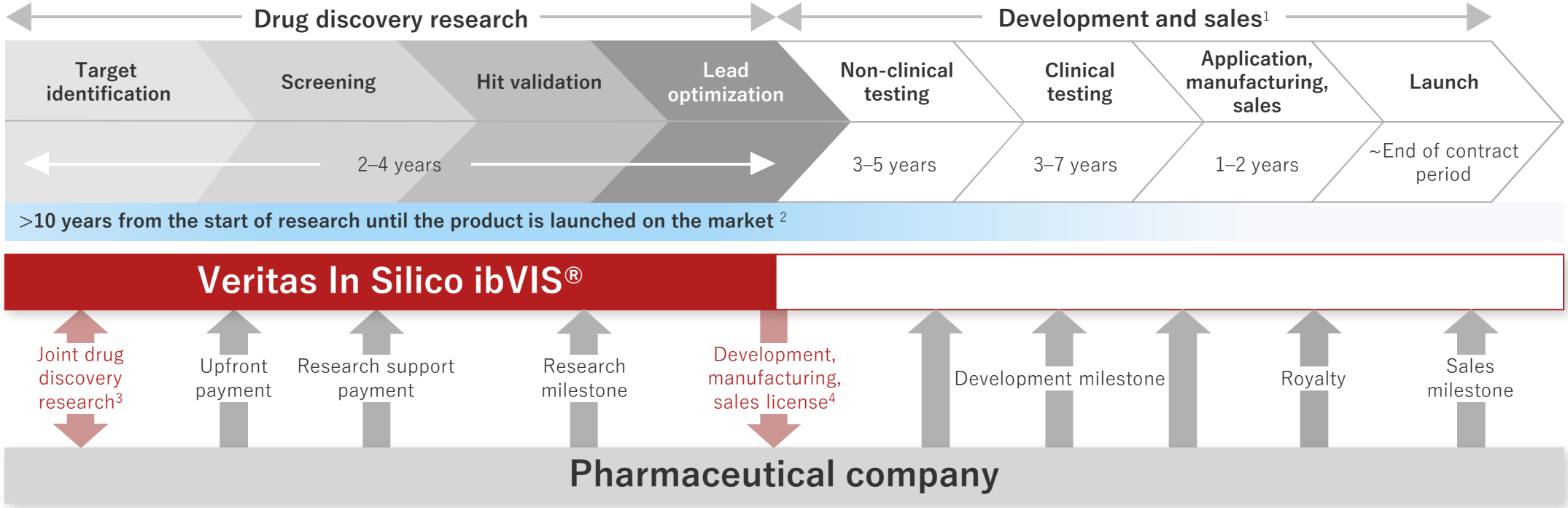


[1]Drug discovery research is the stage of creating drug candidates that demonstrate sufficient efficacy and safety as pharmaceutical products.
[2]Development is the stage of proving the efficacy and safety of a drug candidate obtained through drug discovery research to regulatory authorities.

Platform-based revenue structure

Stable business revenue from the early stages of drug discovery over the long term

Under the joint drug discovery research agreement between our company and pharmaceutical companies, we will receive business revenue in exchange for the right to use our drug discovery platform, ibVIS®. This platform-based agreement allows us to receive revenue based on our contribution to the drug discovery research even after licensing the rights to develop, manufacture, and sell the drug,

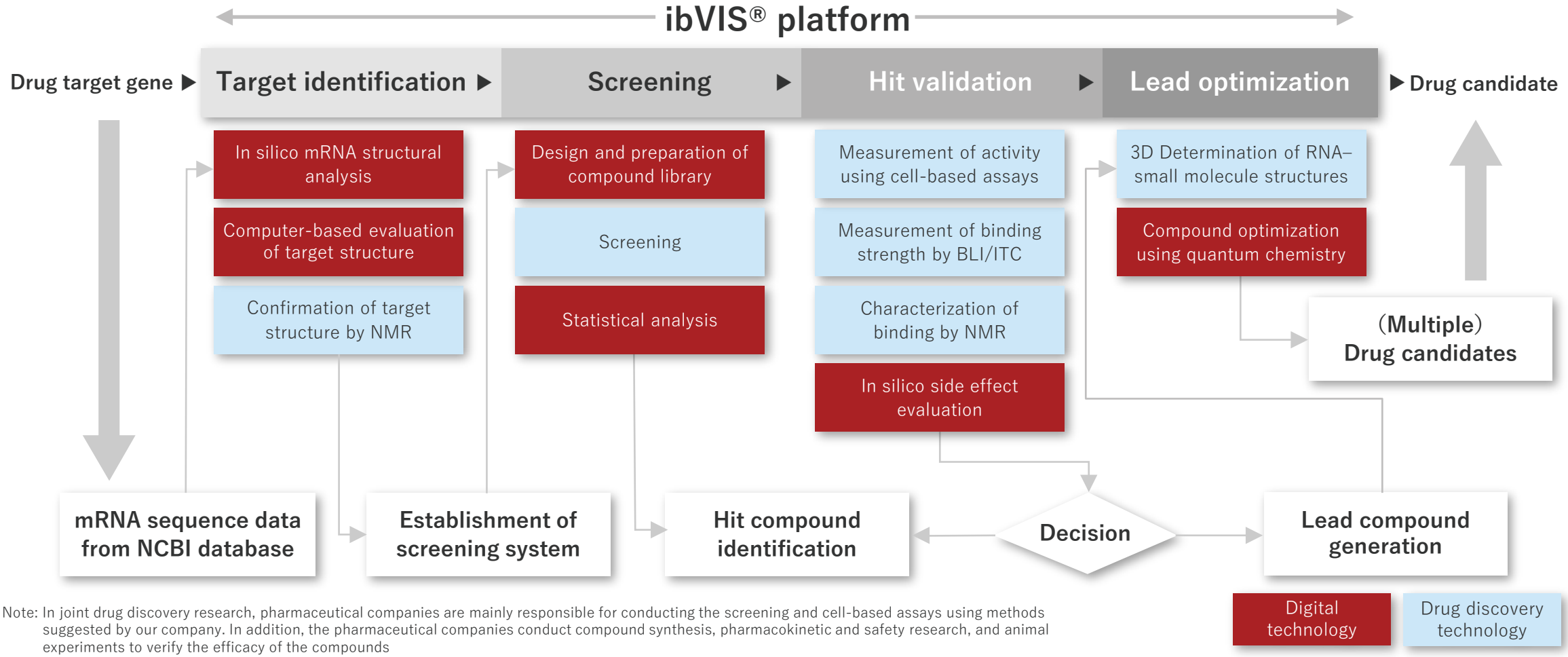


Different business revenues received or to be received	
Upfront payment	Payment at the time of contract signing
Research support payment	Per target; As compensation for conducting research
Milestone	Upon achievement of pre-determined events based on R&D and sales progress
Royalty	Based on annual sales after the start of the drug launch

[1]At present (as of Dec 31, 2024), no partner has progressed to the development and sales step.
[2]The average duration is based on the typical duration of drug discovery R&D, and the actual R&D durations may differ significantly from those given here.
[3]The use of ibVIS® is limited to the duration of the joint drug discovery research between our company and pharmaceutical companies.
[4]In some cases, arrangements (compensations) for development, manufacturing, and sales licenses may be included at the time of the initial joint drug discovery research agreement.

One-stop platform based on verified and proven technologies

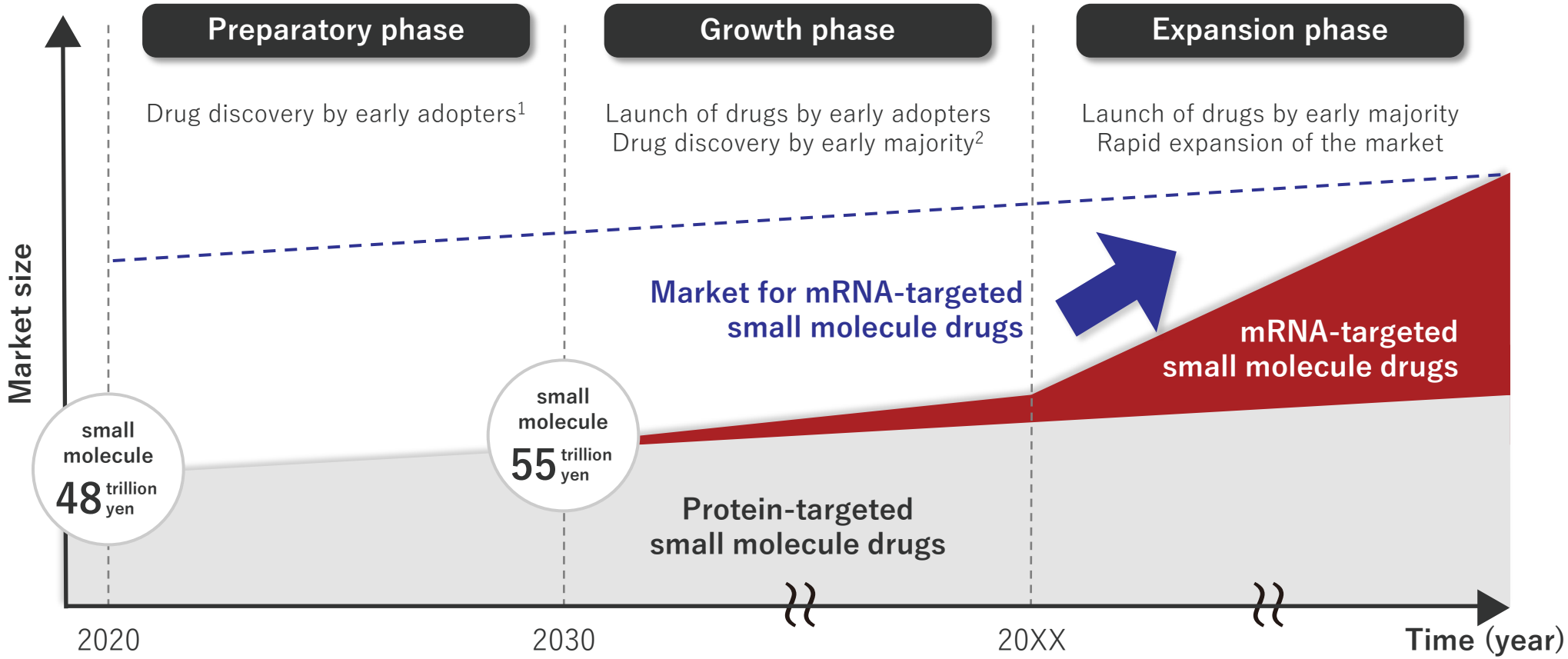
ibVIS® consists of a series of drug discovery and digital technologies, enabling the one-stop implementation from mRNA sequence data to the acquisition of drug candidate compounds. We already have a proven track record of up to hit validation in joint drug discovery research, etc. and have proven the utility of our lead optimization technologies through in-house research



Note: In joint drug discovery research, pharmaceutical companies are mainly responsible for conducting the screening and cell-based assays using methods suggested by our company. In addition, the pharmaceutical companies conduct compound synthesis, pharmacokinetic and safety research, and animal experiments to verify the efficacy of the compounds

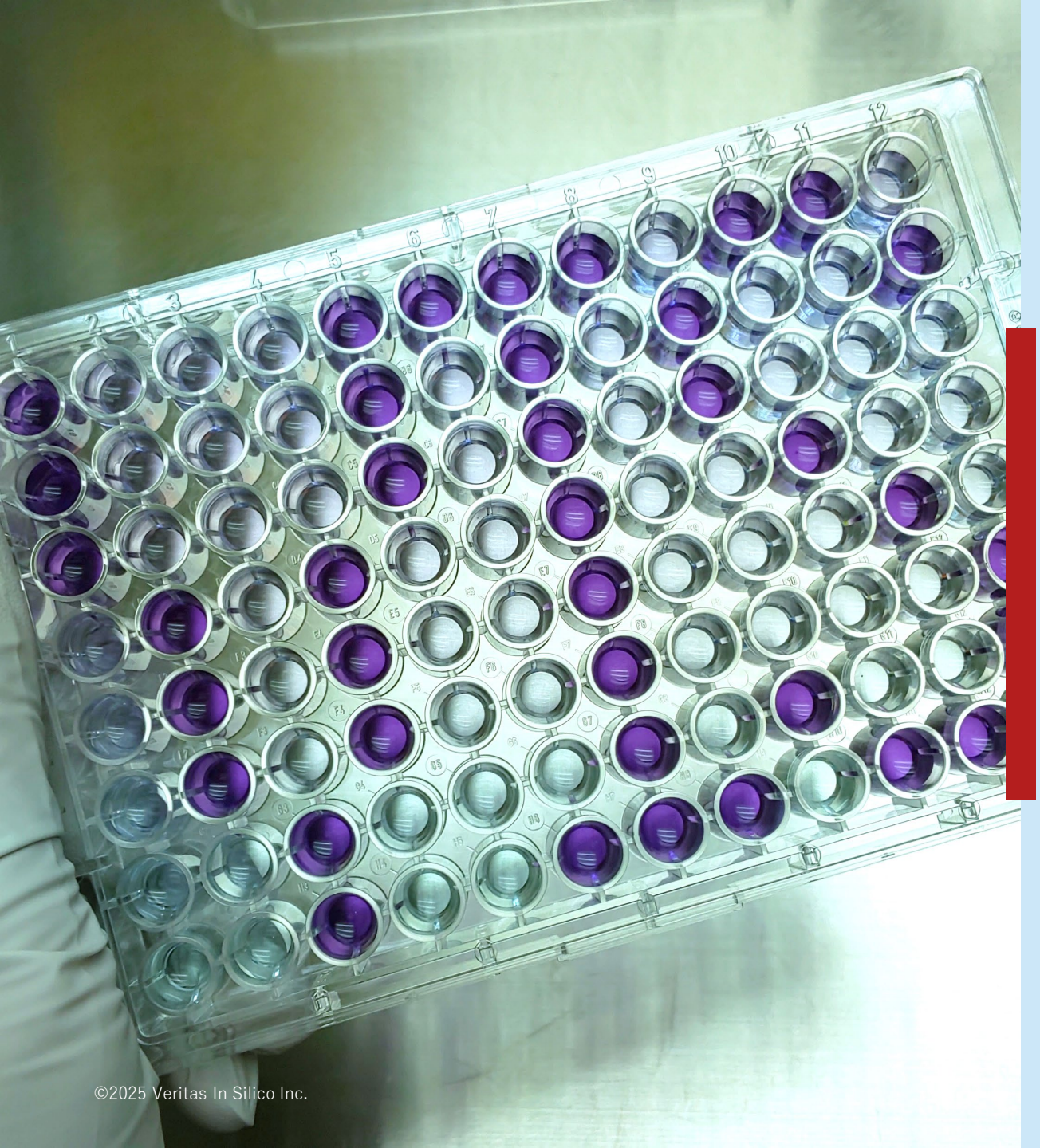
Market for mRNA-targeted small molecule drugs on par with that for protein-targeted

At present, mRNA-targeted small molecule drugs are in the preparatory phase. Once mRNA-targeted small molecule drugs are launched in the market (growth phase), they are expected to spread rapidly to "undruggable" diseases and become a large drug market in the future (expansion phase)



[1]People who buy products and services after the innovators
[2]People who are influenced by early adopters

Source: Estimates made by the company based on data from the Japanese Prime Minister Office website



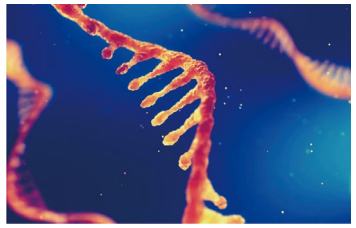
2 Business Highlights

Business progress in FY2024

Mar.

Efforts to Create In-house Pipeline of Nucleic Acid Drugs

Started in-house research to obtain more efficient and effective nucleic acid drugs prior to the joint business with Mitsubishi Gas Chemical



Jun.

Milestone Achieved

Achieved the first research milestone in joint drug discovery research with Takeda to create mRNA-targeted small molecule drugs for multiple diseases

Jun.

Steady Progress in Compound Discovery

Obtained several small molecule compounds with target profiles through cell-based assays in joint drug discovery research with RaQualia to create small molecule drugs for cancers

Sep.

Milestone Achieved

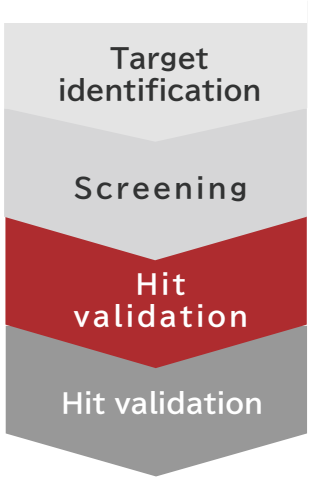
Achieved a milestone in joint drug discovery research with Shionogi to create mRNA-targeted small molecule drugs for infectious diseases and psychiatric and neurological disorders

Dec.

Collaboration Development & Commercialisation Agreement

Partnered with LCC Therapeutics to create shared pipeline of mRNA-targeted small molecule drugs for cancers and CNS disorders for development and future commercialisation of these drugs

Proven track record in joint drug discovery projects with pharmaceutical companies

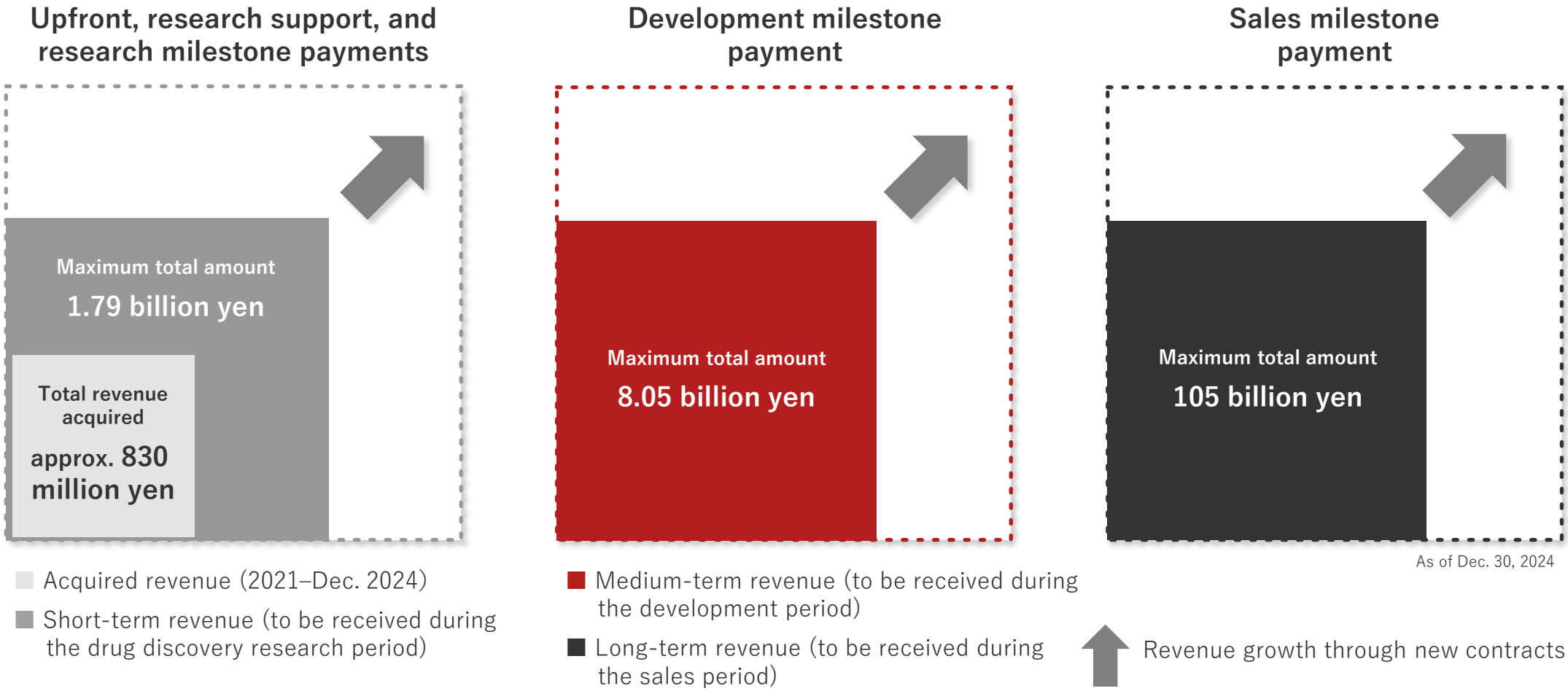
Major partners (Arranged according to timing of agreement)	Timing of agreement	Target disease	Stage of drug discovery research	Financial conditions
TORAY Innovation by Chemistry	July 2021	Undisclosed		• Contract amount undisclosed • VIS obtains rights to the compounds*
SHIONOGI	November 2021	Infectious diseases, psychiatric and neurological disorders		• Up to 85 billion yen contract • Royalties
RaQualia innovators for life	December 2022	Cancer		• Contract amount undisclosed • Royalties
Takeda	June 2023	Undisclosed		• Contract amount undisclosed • Royalties

The most advanced projects in joint drug discovery research with pharmas are in the hit validation stage

*In the joint drug discovery research with Toray, the rights to the drug candidate compounds are shared between Toray and the company, and the company is to receive revenue in proportion as share of compounds

Profitability potential of platform business

We have short-term (during drug discovery) and medium-term (during development) business revenue opportunities under the existing joint drug discovery research agreements. In the long term after the drug is launched, we expect to receive milestone revenue based on sales, as well as royalties of several percent not included in the figures below



Note: Total revenue acquired includes revenue obtained through collaborations. All milestones represent the maximum value that could be achieved if all existing projects were successful. It should be noted that the probability of success in drug discovery is not relatively high, and not all projects will be successful

Collaboration Development & Commercialisation Agreement with LCC

LCC Therapeutics (renamed from Liverpool ChiroChem Ltd. in January 2025) possesses an innovative chemical platform for the rapid synthesis of small molecule compounds. Partnering with LCC, which excels in chemical platforms, enables us to efficiently create pipeline of small molecule drugs

URL: https://contents.xj-storage.jp/xcontents/AS82025/326f6e81/928c/4803/8278/580e6f5e1a64/140120241220542051.pdf

Aim of the agreement between VIS and LCC

The partnership utilizes LCC's advanced chemical platform, PACE™, and our mRNA-targeted small molecule drug discovery platform, ibVIS®

We aim to create blockbuster drugs targeting large markets, such as the oncology field, by leveraging the technological capabilities of both companies

We aim to efficiently create pipeline of mRNA-targeted Small molecule drugs and share the rights to the compounds

Participation in lectures and exhibitions in FY2024

We have undertaken various initiatives to acquire new partnerships

Japan Healthcare Venture Summit (JHVS) 2024

We exhibited our company booth at JHVS 2024, held by the MHLW at Pacifico Yokohama from October 9 to 11, 2024, as well as introduced our mRNA-targeted small molecule drug discovery business in the JHVS SHOWCASE on the first day of the event.

BIO-Europe 2024
Company Presentations Session

Our CEO Nakamura and CSO Morishita joined BIO-Europe 2024, held in Stockholm, Sweden, from November 4 to 6, 2024. Not only did they introduce our platform technology to pharma from the EU and US, but CSO Morishita delivered a presentation at the Company Presentations Session

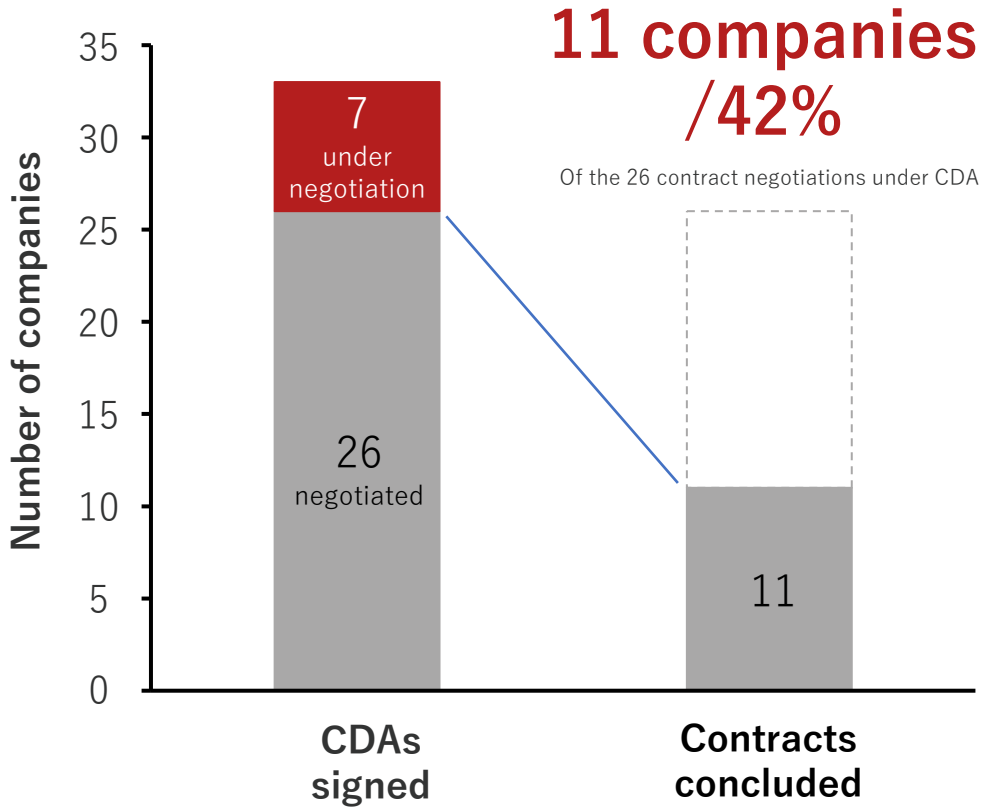
The 41st Medicinal Chemistry Symposium

We participated in the 41st Medicinal Chemistry Symposium at Kyoto TERSA from November 20 to 22. Together with the display of our company booth, Our CEO Nakamura gave an invited lecture, and our Principal Investigator Otsu explained our platform technology at the poster session.

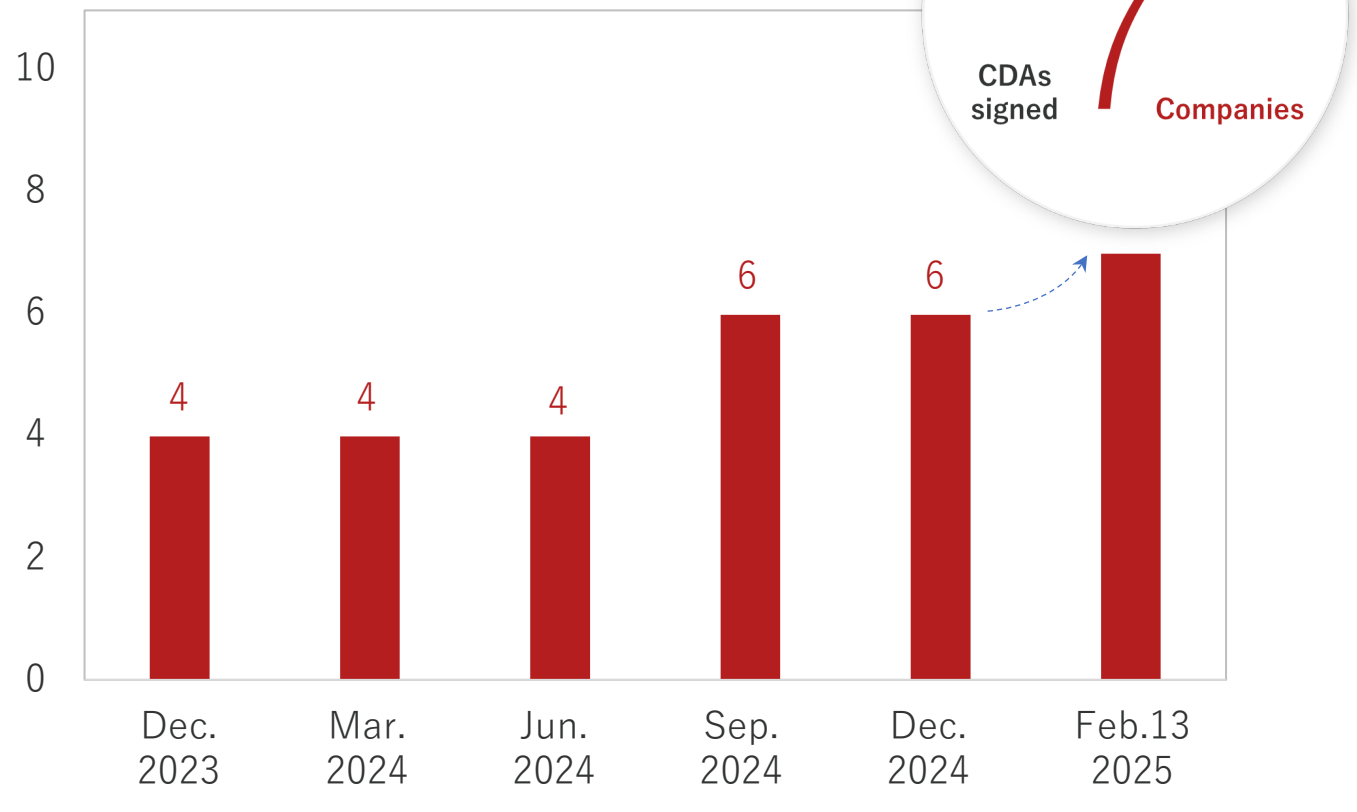
Securing the number of CDAs needed to form new partnerships with 2 companies/year

Of the pharmaceutical companies that have signed confidentiality agreements (CDAs), the probability of reaching a contract conclusion as a result of negotiations under the CDAs is approx. 42%, and the median time between signing a CDA and reaching a contract conclusion is 14 months
Our business development policy is to ensure a commensurate number of CDAs enough to conclude contracts with 2 companies each year after 2025

Cumulative number of CDAs and contracts



Trends in the number of CDAs under negotiation



3 Financial Highlights

Summary of FY2024 Business Results

The joint drug discovery research with each pharmaceutical partner for mRNA-targeted small molecule drug discovery is progressing steadily. Business revenue totaled 194 million yen, including research support funds and milestone payments. Although we posted a loss in FY2024, this was due to the delay of contracts scheduled for 2024 to FY2025; we aim to return to profitability in 2025.

Summary of Profit and Loss Statements

(millions of yen)

	FY2023	FY2024 forecast*	FY2024
Business revenue	360	189	194
Business expenses	322	403	407
Operating profit (loss)	37	- 214	- 212
Non-operating profit (loss)	- 1	- 21	- 20
Ordinary profit (loss)	35	- 235	- 233
Net profit (loss)	33	- 238	- 236

Breakdown (millions of yen)	
Milestone payments	90
Research support funds, etc.	75
R&D expenses	172
SGA expenses	235
Listing expenses	12
Share issuance costs	9

*Cited from the “Revised Financial Forecast for FY2024” announced on Dec. 13, 2024

Trends in Quarterly Performance (FY2023-2024)

Quarterly Performance (millions of yen)

Quarter over Quarter	FY2023 Q3	FY2023 Q4	FY2024 Q1	FY2024 Q2	FY2024 Q3	FY2024 Q4
Business revenue	29	81	32	83	49	29
Business expenses	80	83	97	85	104	120
Operating profit (loss)	-51	-2	-65	-1	-54	-91
Non-operating profit (loss)	-1	0	-22	0	0	1
Ordinary profit (loss)	-53	-1	-87	-1	-54	-90
Net profit (loss) for each quarter	-53	-2	-87	-2	-55	-90

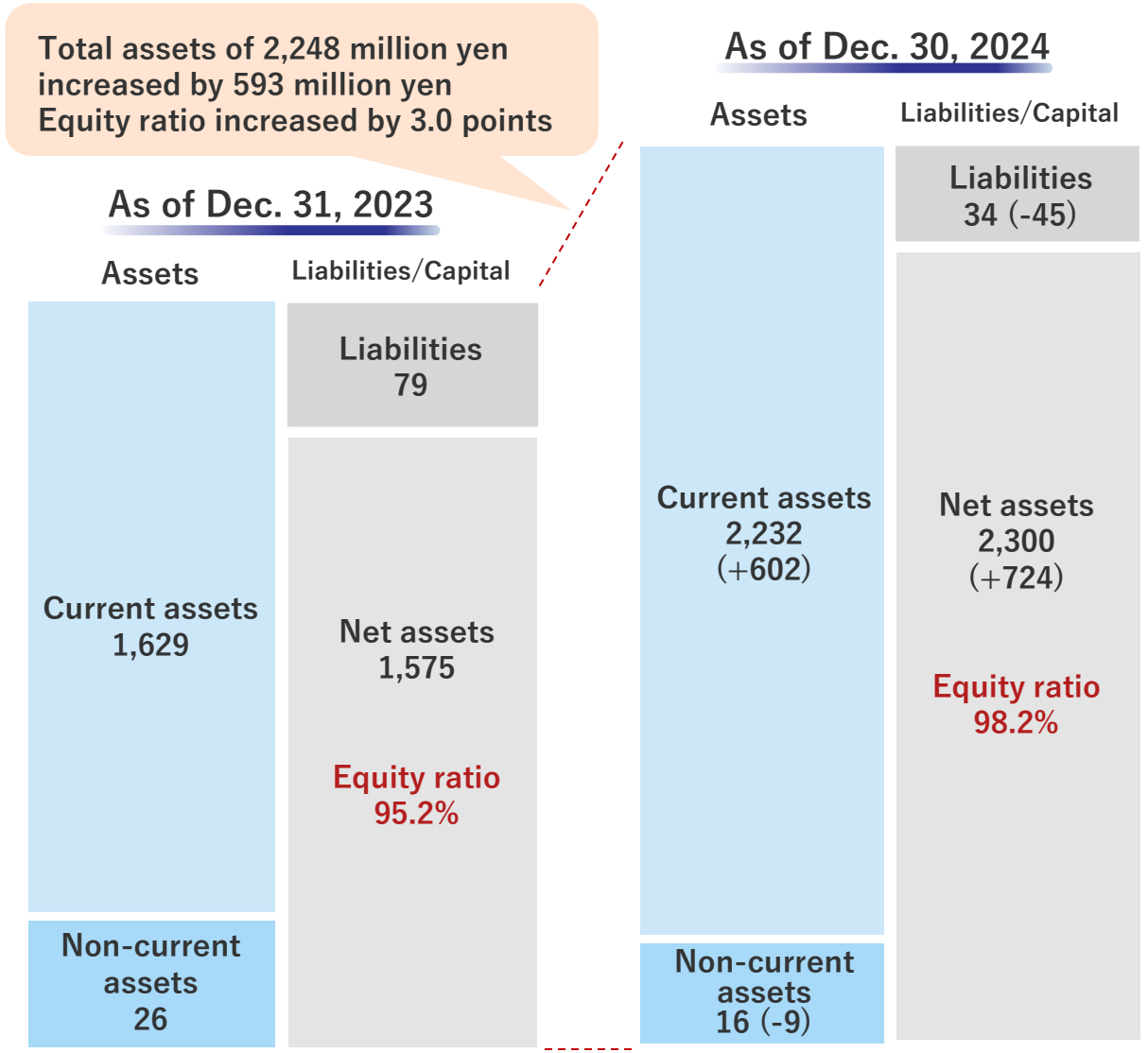
Trends in Financial Position

Current assets increased due to public offering at the time of TSE listing, etc., and equity ratio as well. The capital decreased due to capital reduction in April 2024

Balance Sheets (millions of yen)

	As of Dec. 31, 2023	As of Dec. 30, 2024
Cash and deposits	1,549	2,173
Total current assets	1,629	2,232
Property, plant and equipment	23	14
Total non-current assets	26	16
Total assets	1,655	2,248
Total liabilities	79	39
Share capital	90	77
Total net assets	1,575	2,209
Total liabilities and net assets	1,655	2,248

Balance Sheets Transition



FY2025 Business Results Forecast

We project a business revenue of 788 million yen in FY2025 due to the acquisition of upfront payments from the conclusion of new contracts, etc.
We aim to return to profitability in FY2025 despite an expected increase in business expenses due to higher R&D and other expenses

Summary of Profit and Loss Statements

(millions of yen)

	FY2023	FY2024	FY2025 forecast
Business revenue	360	194	788
Business expenses	322	407	625
Operating profit (loss)	37	- 212	163
Non-operating profit (loss)	- 1	- 20	7
Ordinary profit (loss)	35	- 233	170
Net profit (loss)	33	- 236	168

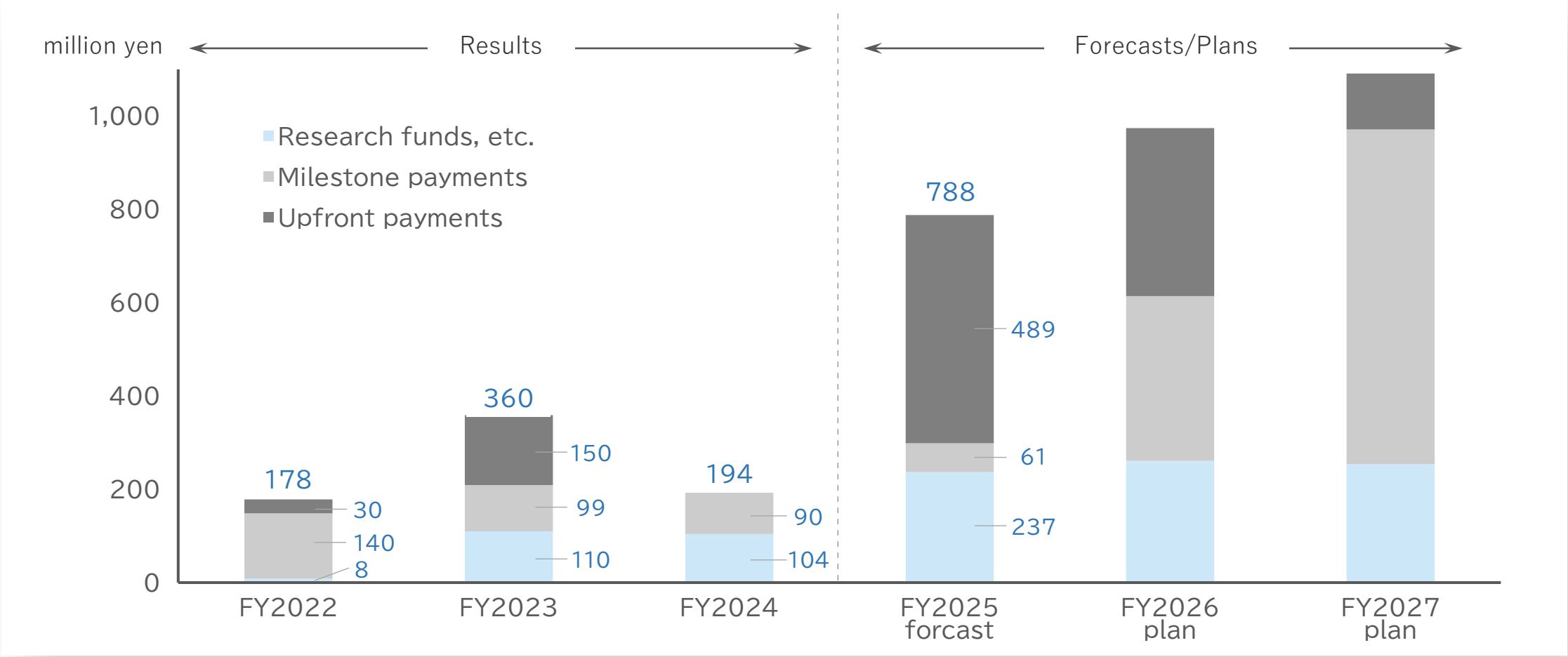
Breakdown (millions of yen)

Upfront payments	489
Milestone payments	61
Research support funds, etc.	237

R&D expenses	331
SGA expenses	293

Track records of business revenue and forecasts/plans from FY2024 onwards

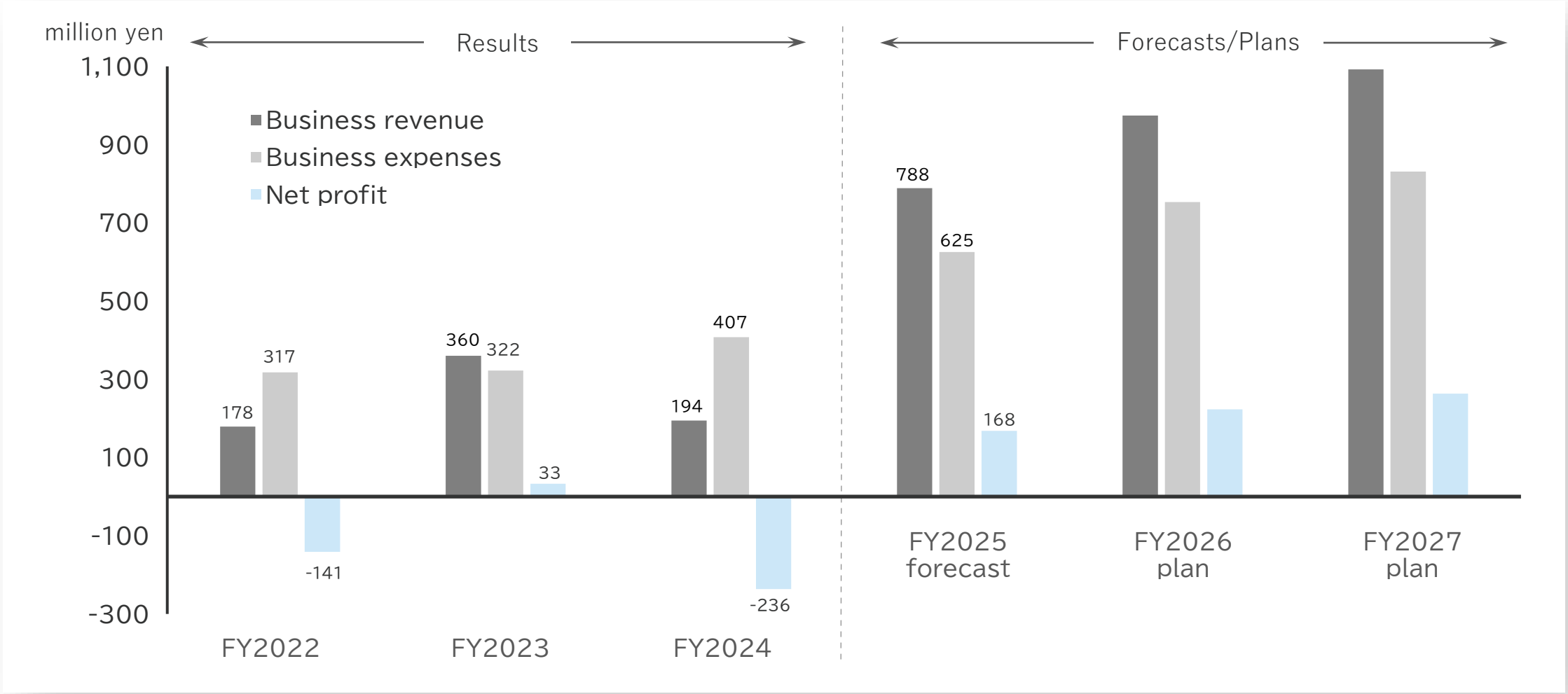
The signing of new contracts expected to be in FY2024 was delayed until FY2025, resulting in a decrease in revenue from upfront payments, etc. From FY2025 onwards, we plan to expand our business revenue by acquiring multiple new contracts each year, as well as steadily progressing joint drug discovery research



Note: The graph for FY2025 to FY2027 is based on the accumulation of expected revenue amount for each customer and project, for which a contract is expected to be concluded. The figures for plans are not disclosed.

Past financial results and forecasts/plans for FY2024 and beyond

Business expenses for FY2024 are expected to rise compared to FY2023 due to increased personnel costs and additional research expenses for pipeline development. During the mid-term management plan period from FY2025 onwards, we will aim to return to profitability by acquiring new contracts and achieving milestones, etc.

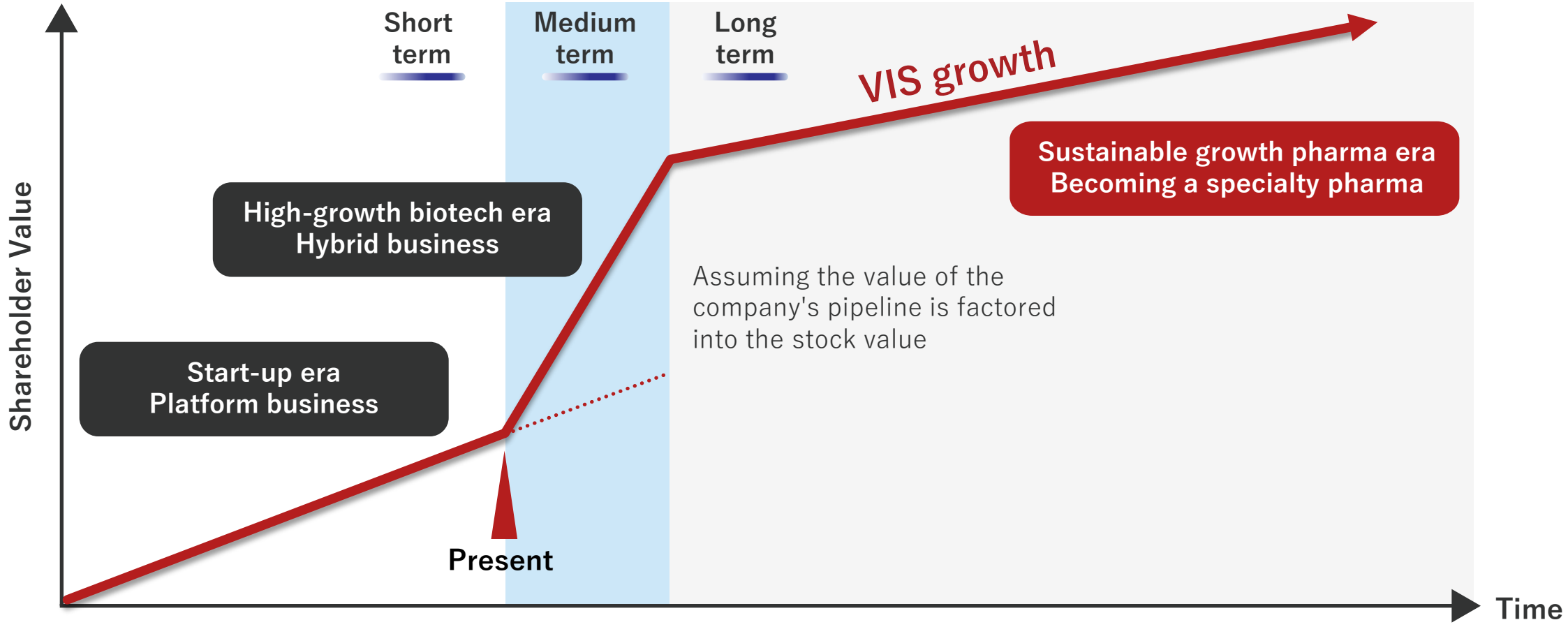


Note: The figures for plans are not disclosed.

4 Growth Strategy

From start-up biotech company to specialty pharma with sustainable growth

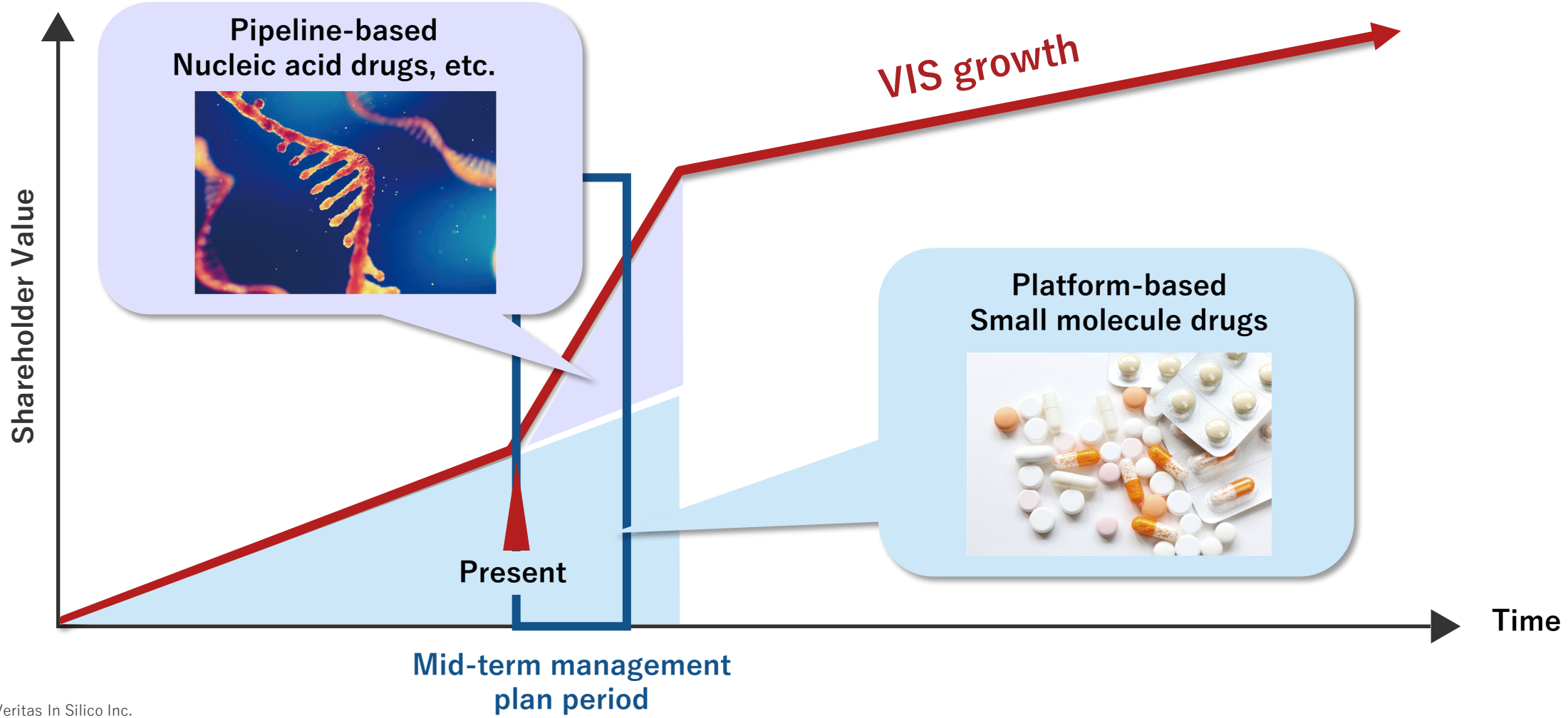
We are transitioning from our current platform business to a hybrid business model aimed at achieving high growth rates. For sustainable growth, we plan to evolve into a specialty pharmaceutical company with capabilities in research, development, and sales of drugs, focusing on mRNA-related drug discovery.



Note: This is only an image of the growth curve we aim to achieve

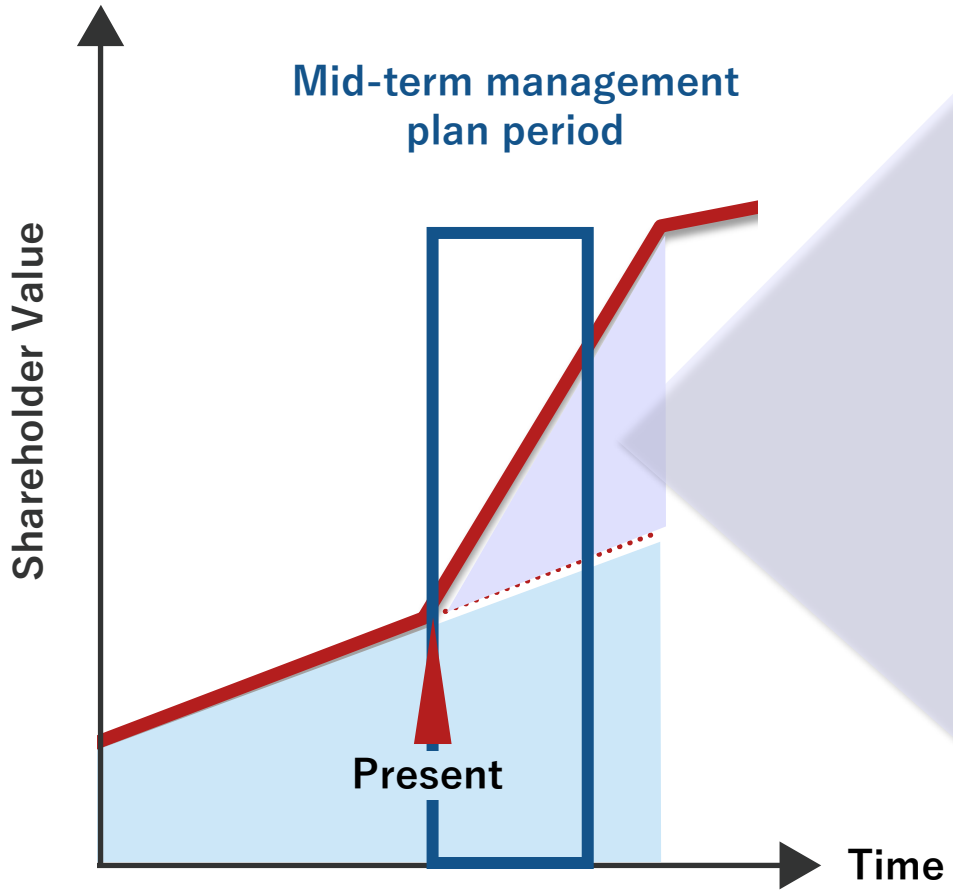
Transition to hybrid business as a prelude to specialty pharma

We aim to increase out shareholder value by expanding our platform business for mRNA-targeted small molecule drugs while creating our own pipeline with nucleic acid drugs as the main candidates



Initiatives to commence and streamline the creation of high-value pipelines

We will start projects with high current value by making use of the technical strengths of our ibVIS® platform, which allows us to target almost any mRNA



Policy for creating a pipeline

Creating pipeline that contributes to our current stock value

- Those with a large total future value
- Those with a short time to market
- Measures to reduce the most recent costs that have a large impact on current stock value

First pipeline in FY2025

- Modality: nucleic acid drugs with short research periods
- Disease area: rare diseases to shorten development period until market launch

More efficient creation of pipeline

- To share research work and costs with partner companies
- To utilize joint research with academia, etc.

Annual goals during the mid-term management plan towards VIS' 2030 Vision

Our vision for 2030 is to establish ourselves as a specialty pharmaceutical company. We will implement the following measures during our medium-term management plan from 2025 to 2027 to achieve this vision.

Conventional KPIs

- Amount of business revenue[2]
- Target number of new contracts

Annual target **2 contracts** → FY2024 results **1 contracts**

FY2024

Progression of platform business

Preparation for hybrid business

FY2025

Hybrid business

- Acquire 4 new contracts[4]
- Create the 1st pipeline
- Prepare for relocation of Shin-Kawasaki Research Institute

FY2026

- Acquire 2 new contracts
- Create the 2nd pipeline
- Commence preclinical test
- Complete relocation of Shin-Kawasaki Research Institute

FY2027

- Acquire 2 new contracts
- Create the 3rd pipeline
- Continue preclinical test

FY2030

Establishing a position as a specialty pharma

KPIs for the medium-term management period

- Target number of new contracts per year[1]
  2 contracts
- Target number of pipeline per year[2]
  1 pipeline
- Amount of business revenue[3]

[1] This is a benchmark for measuring the progress of the platform business
[2] This was set as a new KPI for the start of the pipeline business in FY2025 The creation of a pipeline is counted as the application of a patent
[3] This is a benchmark for measuring the balance between progress in the platform business and the pipeline business
[4] We aim to acquire a total of 4 contracts in FY2025, conclusion of 2 new contracts as well as the 2 contracts that had been scheduled to be concluded in FY2024. One of the 2 new contracts was signed with LCC ahead of schedule in December 2024.

Sustainable growth through diversification of mRNA-related drug discovery business

Our in silico RNA structural analysis can be applied to various mRNA-related drug discovery approaches. When we transition to the hybrid business, nucleic acid drugs are the leading candidates for our pipeline. In addition, we will diversify our business in the future by making mRNA drugs and ncRNA-targeted drugs a part of our businesses through joint research with academia and companies

Short term/Platform
Medium term/Pipeline

Medium term/Pipeline

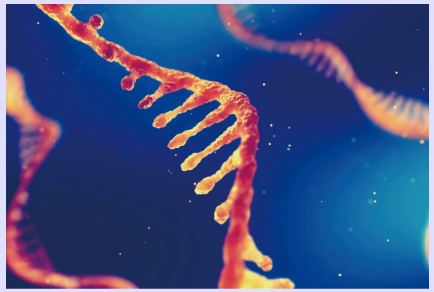
Long term business development through joint research

01

mRNA-targeted small molecule drugs

Provide solutions to medical needs that cannot be addressed by protein-targeted small molecule drug discovery or that can only be addressed by expensive therapies, such as antibodies

02



Nucleic acid drugs (mRNA-targeted)

Create simpler nucleic acid drugs with fewer side effects and high cell membrane permeability that will be a viable solution to rare disease treatment needs

03

mRNA drugs

Design mRNA sequences for medical use, a solution to the need for an alternative to protein replacement therapy

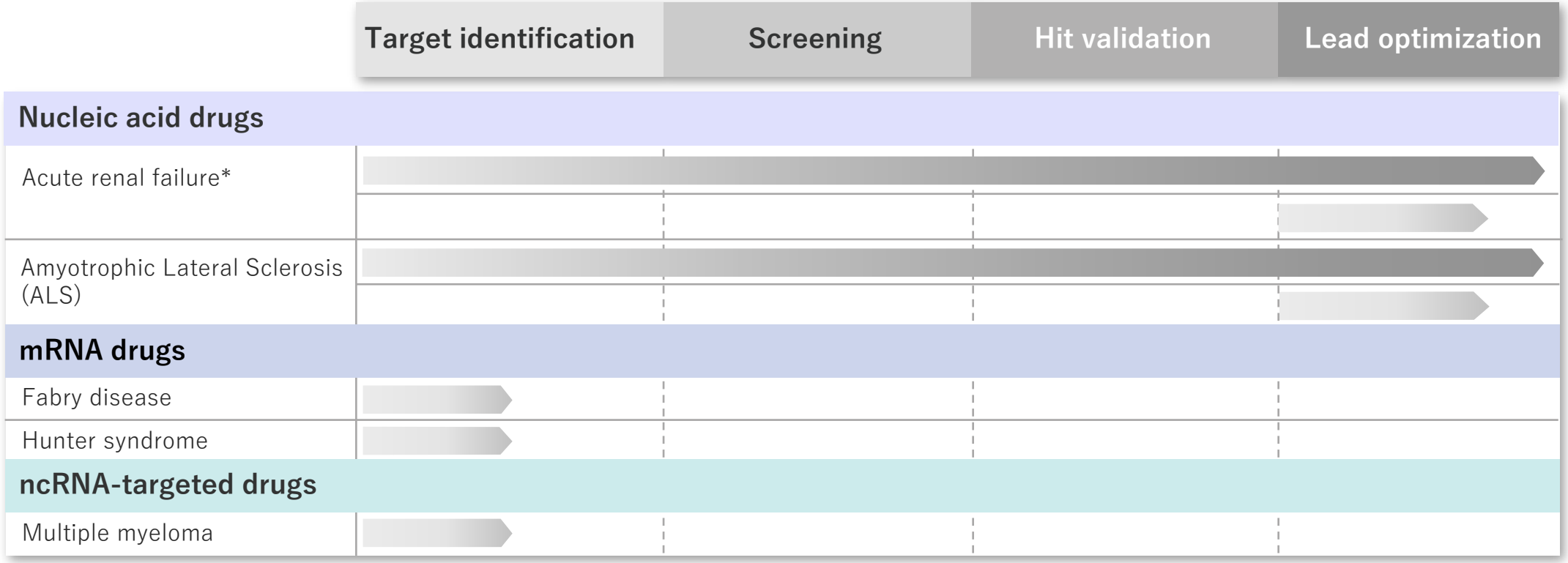
04

ncRNA-targeted drugs

Generate small molecule and nucleic acid drugs that regulate non-coding RNAs (ncRNAs), which do not serve as the blueprint for proteins

Nucleic acid drug pipeline candidates and other projects to support business stability

We have built technological capabilities to create nucleic acid drugs in as early as 8 months and already have two nucleic acid drug projects as candidates for our in-house pipeline scheduled for 2025, mainly for rare diseases



*WO2021/002359 Nucleic acid drug and use thereof

MOU with Mitsubishi Gas Chemical on research, development and manufacturing of nucleic acid drugs

Joint business with Mitsubishi Gas Chemical (MGC) will contribute to the improvement of nucleic acid drug quality and the commercial manufacturing process management. It is expected that the development phase will progress smoothly and the probability of success will increase

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三菱ガス化学

Aims of VIS

To create pipelines of nucleic acid drugs as quickly as possible, ultimately obtaining substance patents

Aims of MGC

To establish manufacturing methods for nucleic acid drugs that contribute to new CDMO business

Contents of MOU with MGC announced Oct. 9

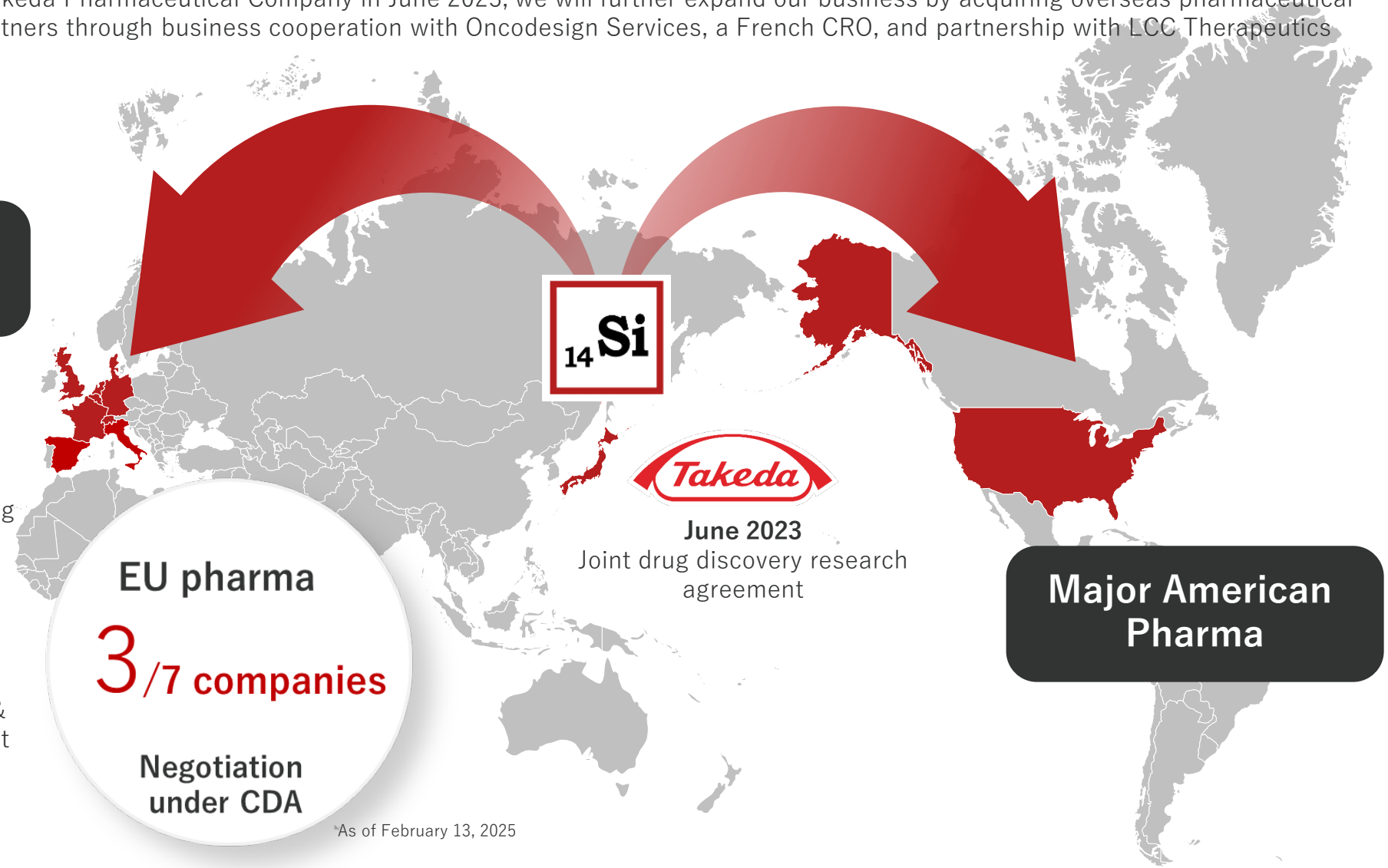
MGC is considering entering the nucleic acid CDMO business, seeing nucleic acid drugs as a growth market

By considering the manufacturing and purification during discovering nucleic acid drugs, we aim to ensure quality and reduce costs of nucleic acid drugs without established efficient synthesis methods

Both companies continue to discuss the process of launching the joint business

Overseas expansion by leveraging our platform business track record in Japan

Following the agreement with Takeda Pharmaceutical Company in June 2023, we will further expand our business by acquiring overseas pharmaceutical companies as drug discovery partners through business cooperation with Oncodesign Services, a French CRO, and partnership with LCC Therapeutics in the U.K.



*As of February 13, 2025

Management that takes into consideration social and environmental sustainability

We will contribute to the health and welfare of as many patients as possible through sincere efforts to create drugs in collaboration with pharmaceutical companies and academia. We intend to practice management that considers social and environmental sustainability by improving the capabilities of society's science and technology and fostering a corporate culture that is rewarding to work in

Initiatives related to our business activities

To realize a warm society filled with hope

- ◆Meeting unmet medical needs with novel drug discovery technologies
- ◆Working with drug discovery partners to create innovative medicines

Efforts to build a business foundation

- ◆Secure and develop excellent human resources
- ◆Foster a rewarding corporate culture
- ◆Diversify human resources and create an organization that makes the most of each individual
- ◆Provide a pleasant work environment (promoting the use of annual paid leave)
- ◆Management and promotion of employee health
- ◆Purchase following the Green Purchasing Law

Realization of a Sustainable Society

Initiatives for Sustainability in Science and Technology

- ◆Enhancement of our drug discovery capabilities through collaborative research with academia on mRNA
- ◆Contribution to academia through lectures and presentations at universities and other educational institutions

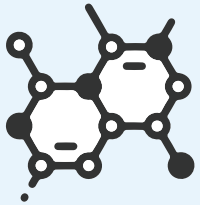
Efforts Toward Sustainability of Science and Technology Capability in Society

Through collaborative research with academia, lectures, and presentations, we have built a good relationship with academia, have improved our drug discovery technology and, by extension, contribute to the improvement of science and technology in Japan. In addition, we actively engage in realizing a sustainable society by making proposals for the development of biotechnology companies at the Science Council of Japan

Collaboration with academia on mRNA

Osaka University 2 projects

Chiba Institute of Technology



Sophia University

Tokyo University of Agriculture and Technology

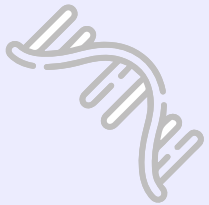
Konan University

mRNA-targeted small molecule drugs

Niigata University of Pharmacy and Medical and Life Sciences

The Jikei University School of Medicine

Stanford University



Nucleic acid drugs

Lectures and presentations at educational institutions

Lectures conducted annually

Institute of Science Tokyo

Chiba Institute of Technology

CEO presentations conducted in 2024

The Science Council of Japan

JASIS 2024 Seminar hosted by MEXT

Nikkei Business Forum

Japan Bioindustry Association (JBA)

The Society of Synthetic Organic Chemistry, Japan

mRNA Targeted Drug Discovery Research Organization

Frontiers of Drug Discovery by LUNK-J

The 41st Medicinal chemistry Symposium

5 Business Overview

Biotech with extensive research capabilities on mRNA-targeted small molecule and nucleic acid drug discovery

Name	Veritas In Silico Inc. (VIS)
Established	November 17, 2016
Main office	1-11-1 Nishigotanda, Shinagawa-ku, Tokyo 141-0031, Japan
Research facilities	Shinkawasaki Research Institute: Kanagawa, Japan Niigata Research Institute: Niigata, Japan
CEO	Shingo Nakamura
Employees	19 (As of December 31, 2024)
Capital	77,175 thousand yen （As of December 31, 2024）
Business description	Creating mRNA-targeted small molecule drugs through joint drug discovery research with pharmaceutical companies using our proprietary drug discovery platform, ibVIS®, as well as developing its pipelines from 2025

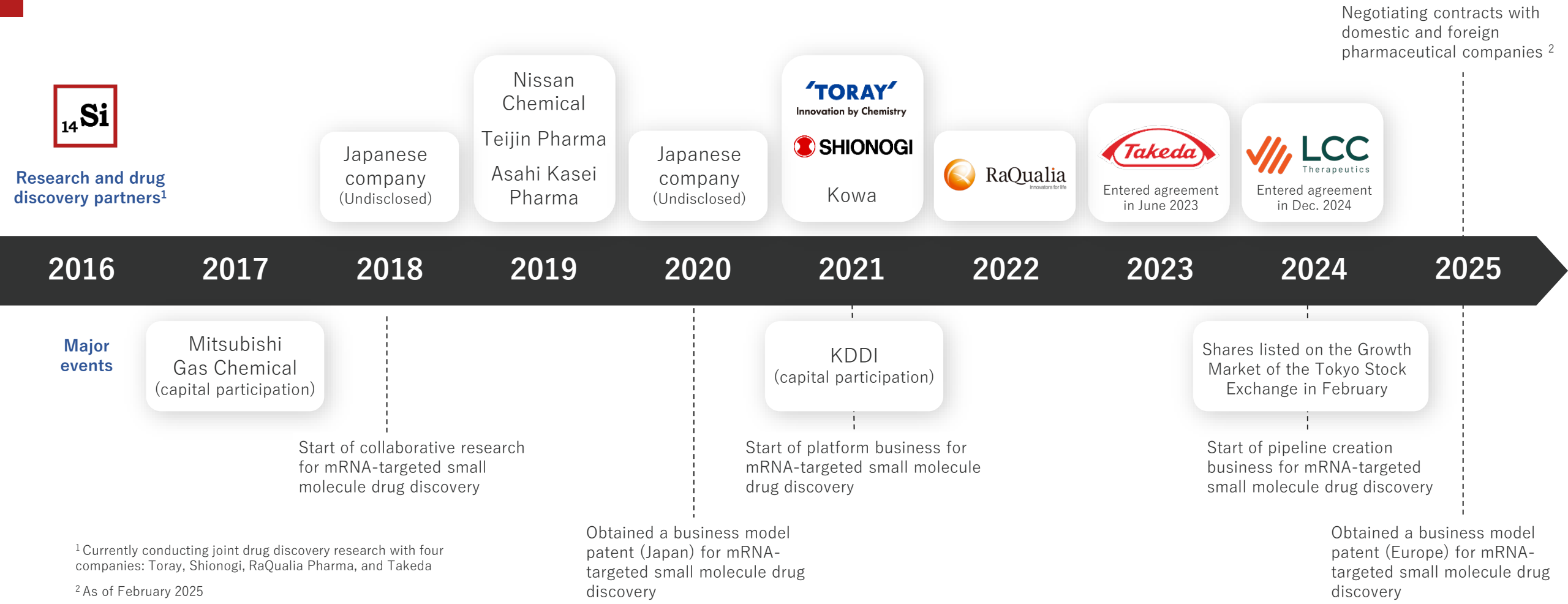
Shinkawasaki Research Institute
(At the Kawasaki Business Incubation Center)


Niigata Research Institute
(At the Niigata University of Pharmacy and Medical and Life Sciences)

History

Steadily expanding business by earning the trust of renowned companies

We are advancing an innovative approach—mRNA-targeted small molecule drug discovery—together with our research and drug discovery partners, with support from our business partners



[1] Currently conducting joint drug discovery research with four companies: Toray, Shionogi, RaQualia Pharma, and Takeda

[2] As of February 2025

Our founder’s background making mRNA-targeted small molecule drug discovery a reality

After the company's establishment, Shingo fully leveraged his background to launch a full-fledged mRNA-targeted small molecule drug discovery business. He successfully raised three rounds of funding and achieved IPO in February 2024

Representative Director, Founder and CEO

Shingo Nakamura, PhD

Extensive operational experience ranging from drug research to business development, sales, management, and investment in biotech companies

Catalent · Dow · Takeda · INCJ

2000

～2003　Scientific background

Shingo studied **informatics** at Nagoya University and received his PhD in **organic chemistry**. He later studied **RNA biology** during his postdoctoral fellowship at Yale University. The concept of mRNA-targeted small molecule drug discovery was shaped by his diverse scientific background.

2005

2003-2011 Pharmaceutical industry research

Shingo conceived the idea of mRNA-targeted small molecule drug discovery at Takeda in 2003 and led an in-house project for seven years.

He filed the **world’s first business model patent for mRNA-targeted small molecule drug discovery** in 2004.

2010

2011-2015　Business background

Shingo gained hands-on business experience working as a sales and marketing manager for Dow Chemical and later as a business development director for Catalent*.

2015

2015-2017　Experience as an investor

Shingo worked as a venture capitalist at the Innovation Network Corporation of Japan (INCJ) and served as a director of the board of biotech companies which he invested in, gaining hands-on experience in company establishment and management.

2016～　Management career

Representative Director and CEO of Veritas In Silico (current position)

2020

*A global contract development and manufacturing organization (CDMO) headquartered in New Jersey, USA, that provides delivery technologies, drug manufacturing, biologics, gene therapies, and consumer health products for pharmaceutical and biotech companies

Management team with extensive operational experience

The management team, with extensive practical experience in the pharmaceutical and biotech industries, along with audit and supervisory board members with a wide range of experience in overseeing management, are working together to drive the business forward

Director
Hiroaki Hagiwara

Over 30 years of work experience as an administrator in a wide range of industries and has completed two IPOs, including Veritas In Silico

Director
Isao Koda, PhD

More than 40 years of experience in the pharmaceutical industry, including approx. 15 years in the U.S., ranging from drug discovery research and clinical development to business development

Director
Kinichiro Kominami, PhD

Representative Director of Tech & FinStrategy, Inc.

A broad network of contacts in the biotechnology industry through working as a bioanalyst at Nomura Securities and others

Audit & Supervisory Board Member
Sadao Suzuki

Firsthand experience in asset management at a life insurance company and a wealth of audit and supervisory experience

Audit & Supervisory Board Member
Minoru Hirooka

Head of Hirooka Certified Public Accountant Office

Certified Public Accountant and Tax Accountant

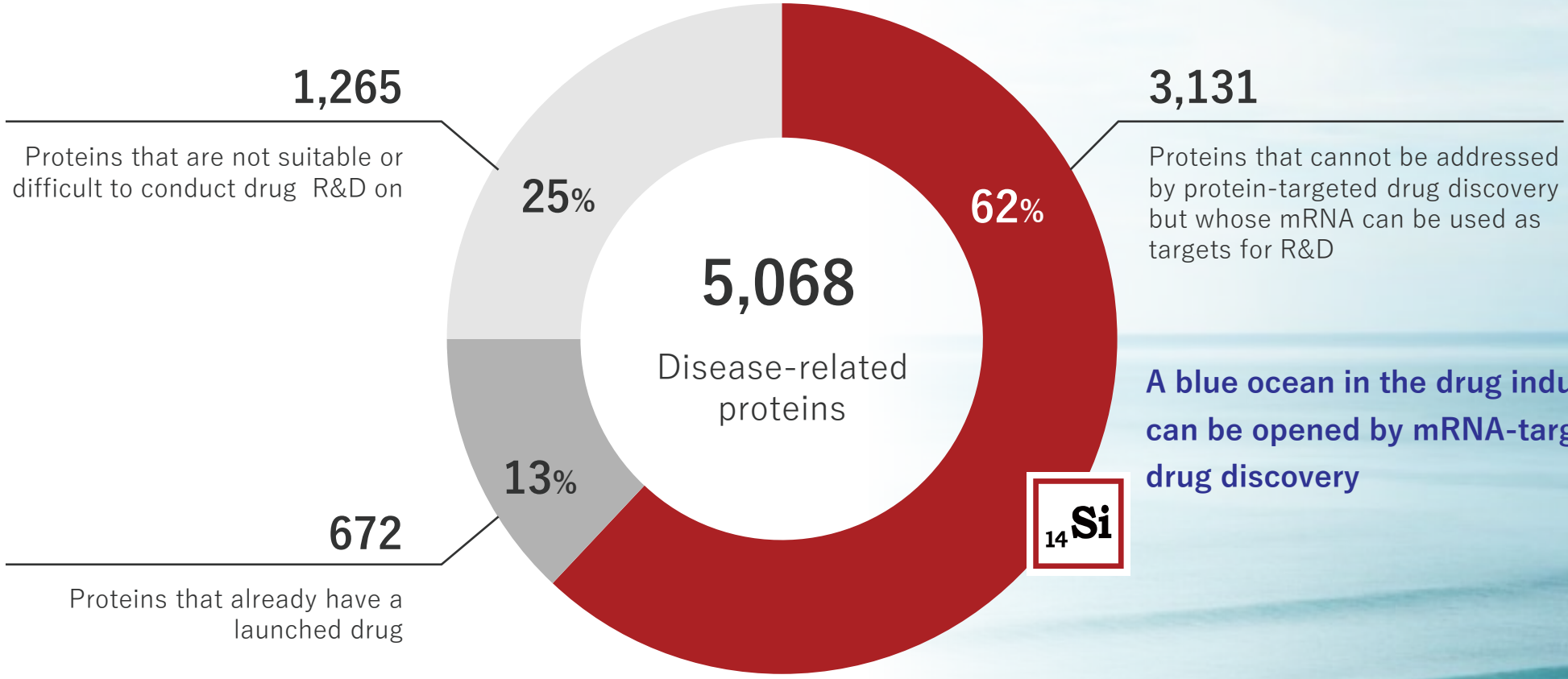
Audit & Supervisory Board Member
Minako Wakabayashi

Orrick, Herrington & Sutcliffe LLP/ Orrick Tokyo Law office Representative of Tokyo office, Foreign Law Joint Enterprise

Attorney (Managing partner)

The “undruggable" into the “druggable" with mRNA-targeted drug discovery

Diseases that were considered “undruggable" by conventional protein-targeted drug discovery technologies can become “druggable” by targeting the mRNA, There is potential to address unmet medical needs (medical needs for diseases with no effective treatments), which account for more than half of disease-related proteins

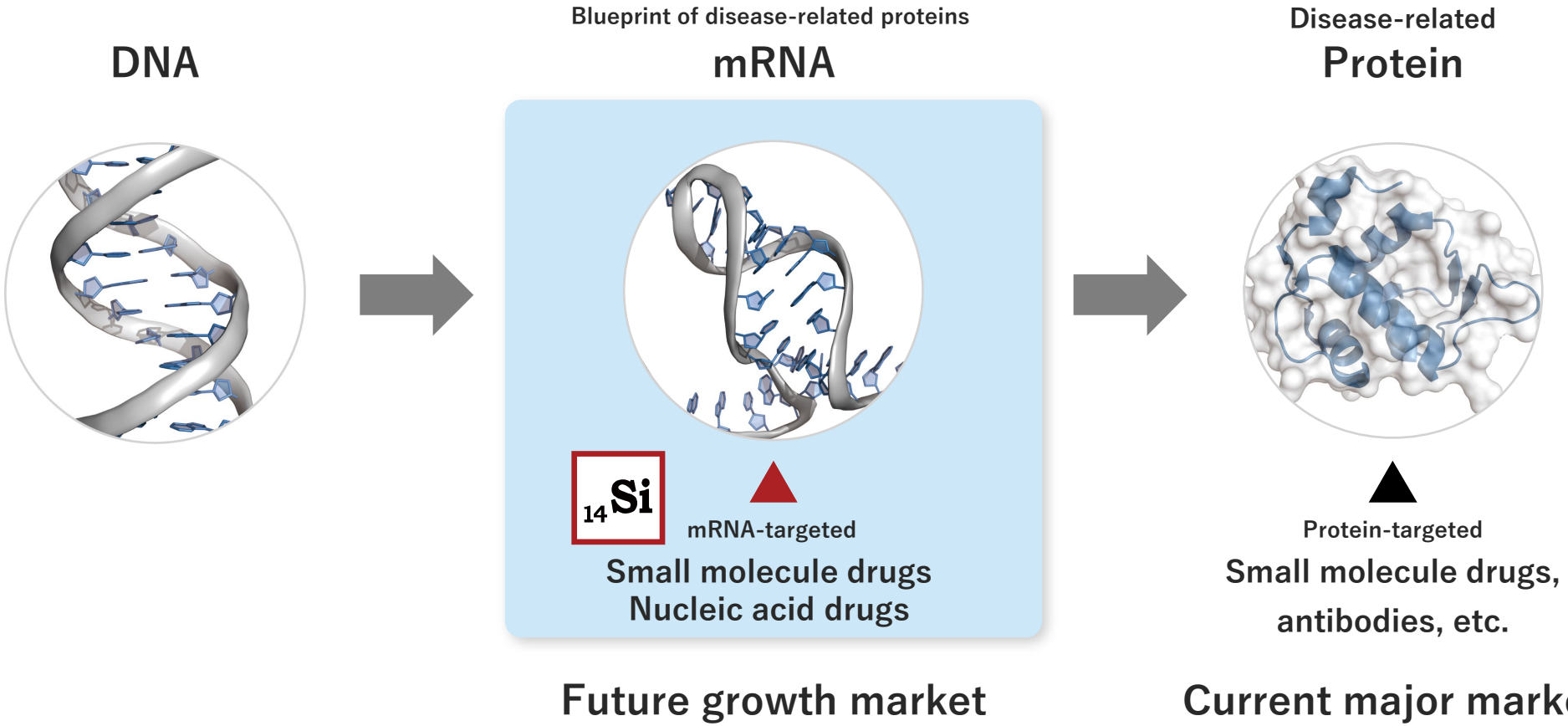


A blue ocean in the drug industry can be opened by mRNA-targeted drug discovery

Source： Based on the Human Protein Atlas, DrugBank, KS analysis, 2018

Opening a blue ocean by creating mRNA-targeted small molecule drugs

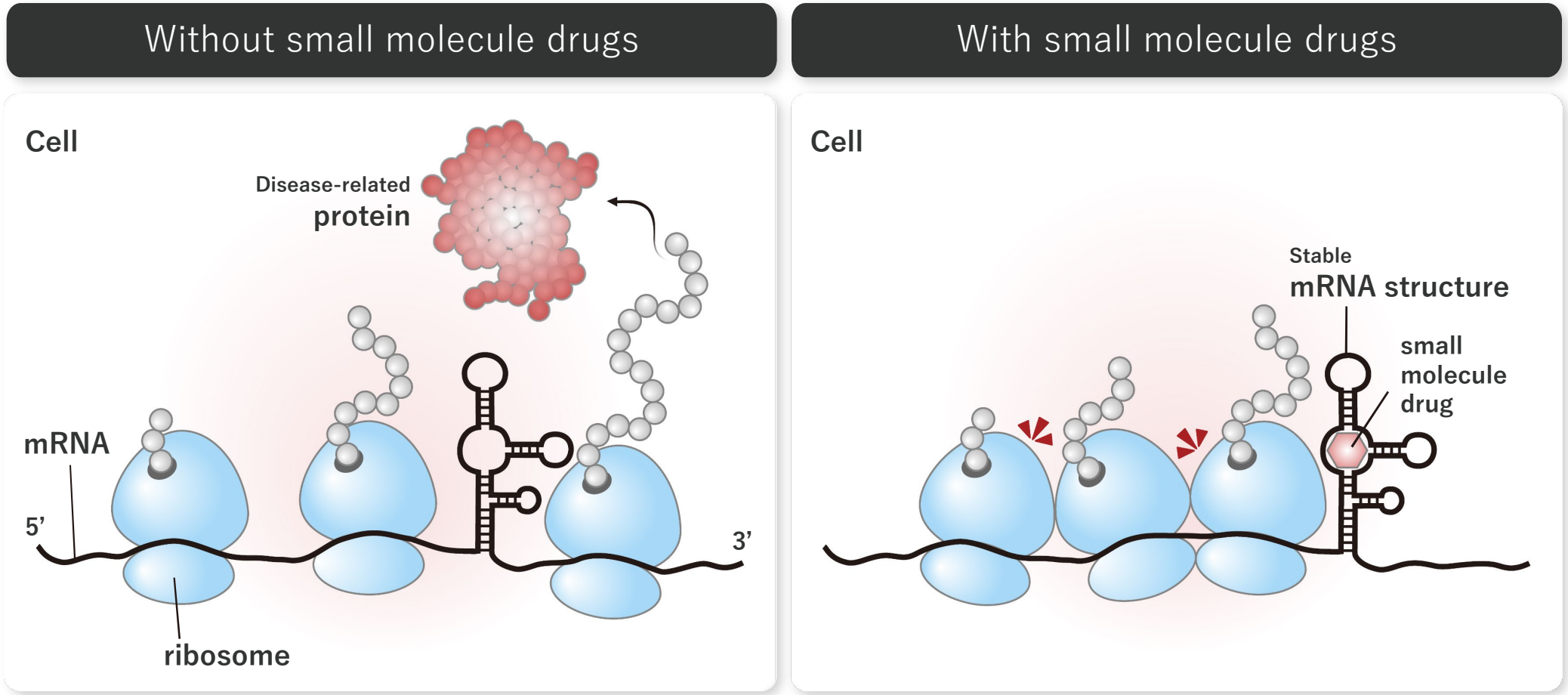
We aim to target the mRNA—the blueprint of proteins—with small molecule drugs, which are desirable because they can be administered orally and are economical. Future market growth is expected with this new blue ocean strategy as it can tackle the problems related to small molecule drug discovery



Note: Research and development on mRNA-targeted small molecule drugs is still mostly in the drug discovery stage even outside Japan.
No small molecule drugs have been launched due to this drug discovery approach as of Dec. 31, 2024.

Versatile mechanism of action applicable to the treatment of various diseases

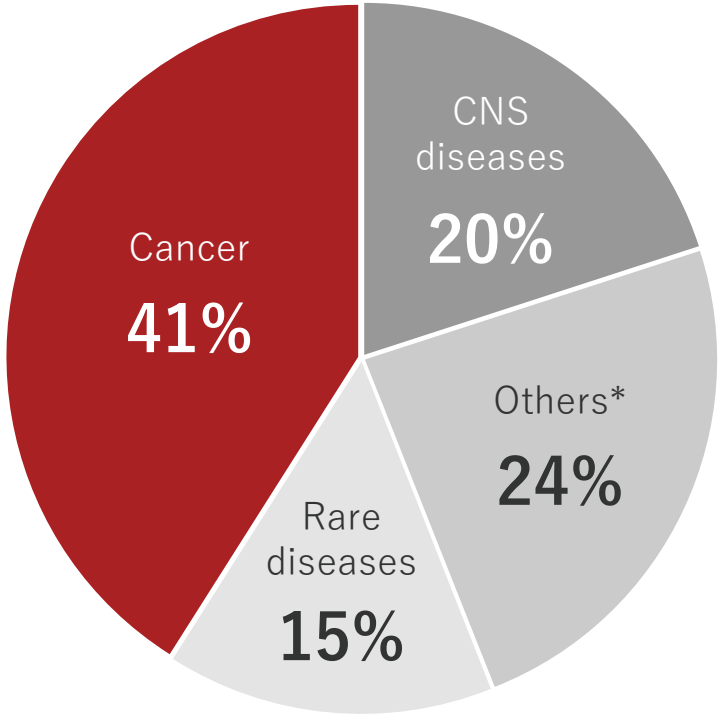
In the cell, proteins are synthesized by the ribosome by reading information on the mRNA from left to right. When the structure on the mRNA is stabilized by a small molecule drug, the ribosome is unable to read the mRNA information and protein synthesis stops



Addressing unmet medical needs with ibVIS®

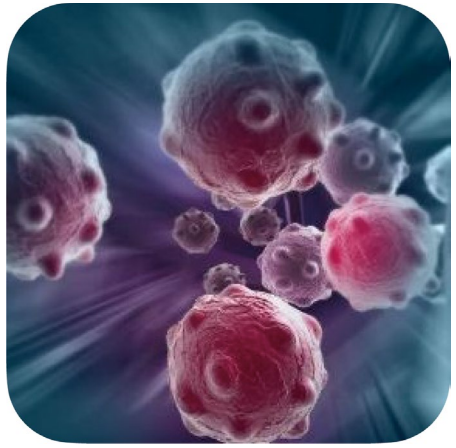
The pharmaceutical companies to which we have provided the information on our drug discovery platform, ibVIS®, have disclosed more than 100 genes of interest (GOIs) to us, and the disease areas of these GOIs are diverse. This imply that ibVIS® is applicable to a wide variety of diseases even from the perspective of drug discovery experts. Based on the GOIs, cancer is the largest disease area of focus, followed by central nervous system (CNS) diseases

Disease areas revealed by the GOIs



*Includes cardiovascular disease, immune disorders, infectious diseases, etc.

Based on GOIs disclosed by pharmaceutical companies as of Dec. 31, 2024



Cancer

Cancer-causing genetic mutations are diverse, and many cancers cannot be treated with conventional protein-targeted drug discovery

Since the number of patients is large, it is desirable to develop new small molecule drugs that can be supplied in large quantities

CNS diseases

In the brain (central nervous system), the blood-brain barrier (BBB) blocks antibody drugs and other large molecule drugs

Small molecule drugs that can cross the BBB would be effective in treating CNS diseases

Mission

Build a society where every patient can look forward to a brighter future through the realization of mRNA-targeted drugs

We, as pathfinders pioneering the frontiers of drug discovery, ...

Aim to provide the best treatment for any disease

Highlights for FY2024 and Forecast for FY2025

Platform business for mRNA-targeted small molecule drug discovery performed well

Joint drug discovery research is underway with four pharmaceutical companies utilizing the drug discovery platform, ibVIS®.
The company achieved milestones with Takeda and Shionogi and obtained several small molecule compounds with targeted profiles through cell-based assay with RaQualia Pharma.

Established framework to create an in-house pipeline for transition to a hybrid business

We resumed research on our proprietary nucleic acid drugs.
To enhance the feasibility of creating an in-house pipeline for small molecule drugs, we entered into a collaboration development & commercialisation agreement with LCC Therapeutics in the UK for mRNA-targeted small molecule drugs in December 2024

Business revenue for FY2024 was 194 million yen, net loss was 236 million yen

Business revenue totaled 194 million yen due to research support funds, milestone payments, etc.
Net loss was 236 million yen due to business expenses of 407 million yen, listing-related expenses of 22 million yen, etc.

Projected return to profitability in FY2025

Business revenue is expected to increase by 593 million yen year-on-year due to upfront payments from new drug discovery research agreements with pharmaceutical companies, etc. Business expenses are expected to increase by 217 million yen year-on-year due to an increase in R&D expenses, etc. Net profit is expected to be 168 million yen.

Veritas In Silico