



Veritas In Silico

Bringing new hope with mRNA-targeted drugs

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Fiscal Year Ended December 31, 2025, 1st Quarter

Financial Results

Veritas In Silico Inc.

Ticker code: 130A

May 9, 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 during the 1st quarter of FY2025

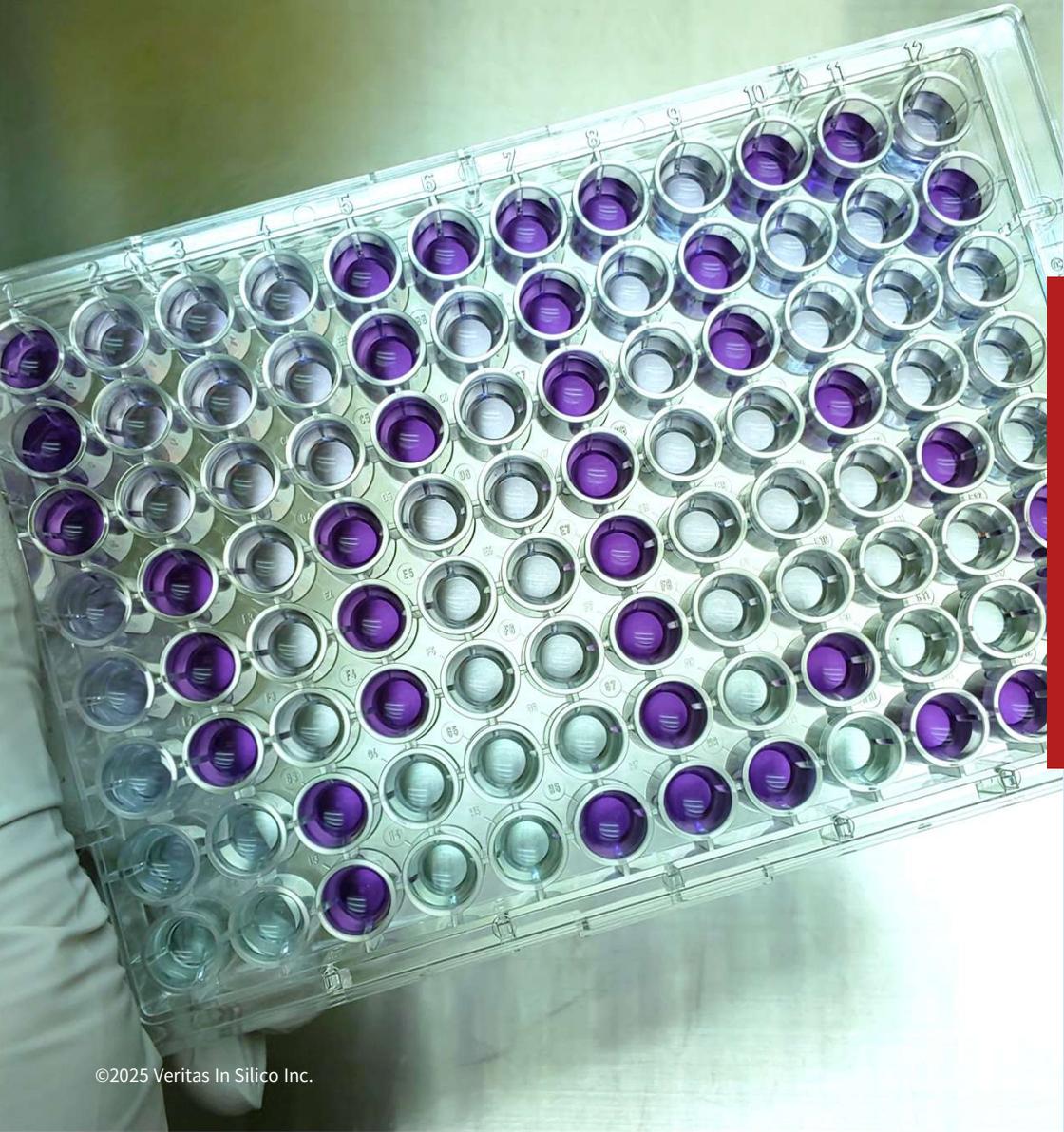
Contract negotiations for platform business are making steady progress. The joint drug discovery with pharmaceutical companies is proceeding as planned.

Currently selecting target diseases and genes for the first pipeline (nucleic acid medicine), transitioning to a hybrid business model.

Business revenue for the 1st quarter of FY2025 was 24 million yen, and business expenses were 105 million yen, resulting in the net loss of 79 million yen.

Earnings forecast for FY2025 remains unchanged.

*At the time of filing this document, there have been no substantial impacts on our business operations, financial performance, or financial position due to the Tariff measures implemented by the U.S. government in April 2025.



1 Business Highlights

Business progress in the 1st quarter of FY2025

Jan.

Feb.

Mar.

Pipeline business; small molecule drugs

Kickoff of collaboration with LCC Therapeutics to create a pipeline

Pipeline business; nucleic acid drugs

Internal review of disease and gene candidates for pipeline selection (currently narrowed down to 3 final candidates)

Platform business

- Progress in joint drug discovery research with pharmaceutical companies
- Negotiations for new contracts

New CDA signed with EU company

Signed a new CDA with an EU company, increasing the number currently negotiating contracts under CDAs from six to seven companies.

Communicate with investors

Held live broadcast of the briefing sessions for investors and conducted a Q&A session with the participants.



At a broadcasting studio

Filing of new patent application in FY2025 #1

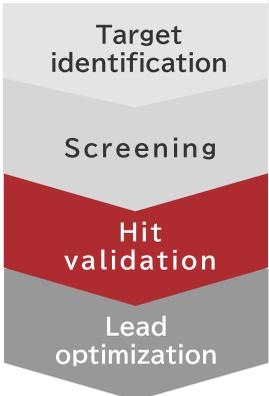
Filed a new patent application that will lead to building up our future business foundations, while enhancing the value of our pipeline.

Engage in dialogue with Overseas Institutional investors

Participated in a small meeting promoted by a securities company and held discussions with overseas institutional investors.

Proven track record in joint drug discovery projects with pharmaceutical companies

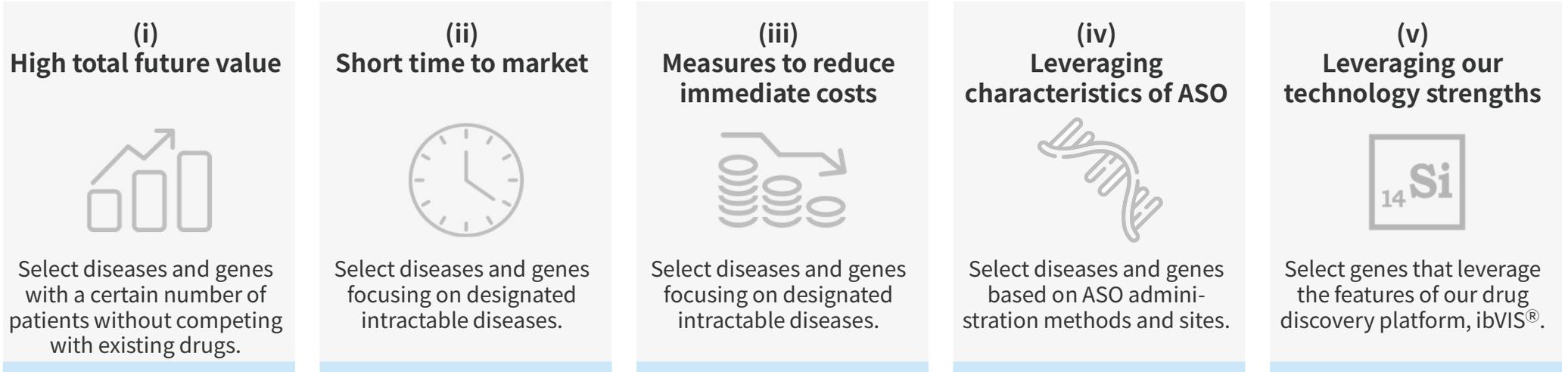
In the platform business, mRNA-targeted small molecule drug discovery projects with four pharmaceutical companies progressed as planned.

Major partners (Arranged according to timing of agreement)	Timing of agreement	Target disease	Stage of drug discovery research	Financial conditions
	July 2021	Undisclosed	 <p>The most advanced projects in joint drug discovery research with pharmas are in the hit validation stage.</p>	<ul style="list-style-type: none"> • Contract amount undisclosed • VIS obtains rights to the compounds*
	November 2021	Infectious diseases, psychiatric and neurological disorders		<ul style="list-style-type: none"> • Up to 85 billion yen contract • Royalties
	December 2022	Cancer		<ul style="list-style-type: none"> • Contract amount undisclosed • Royalties
	June 2023	Undisclosed		<ul style="list-style-type: none"> • Contract amount undisclosed • Royalties

*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

Policy and timeline for creating the first pipeline

The selection of gene candidates for pipeline creation focuses on those, particularly emphasizing marketability, with high current value that contribute to current shareholder value (i)(ii)(iii), while also leveraging the characteristics of nucleic acid drugs (ASO) (iv) and the strengths of our technology (v).



FY2025

FY2026

FY2027

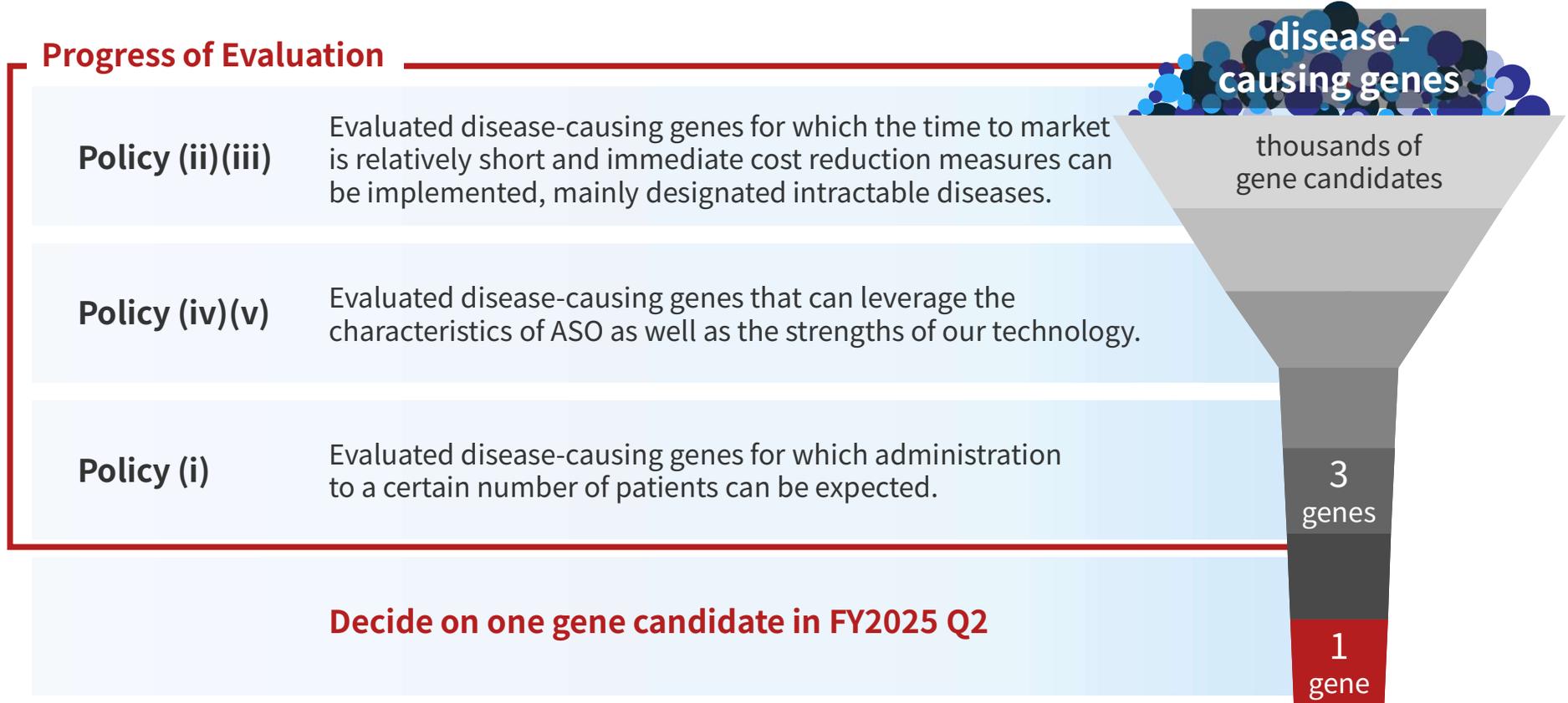
**Candidate Selection/
Drug Discovery Research**
After selecting the initial target gene, start drug discovery research to create a pipeline.

Commence preclinical study
Confirm drug efficacy and others through cell-based assays.

Continue preclinical study
Confirm drug efficacy and others through animal studies.

Evaluation of gene candidates for pipeline selection

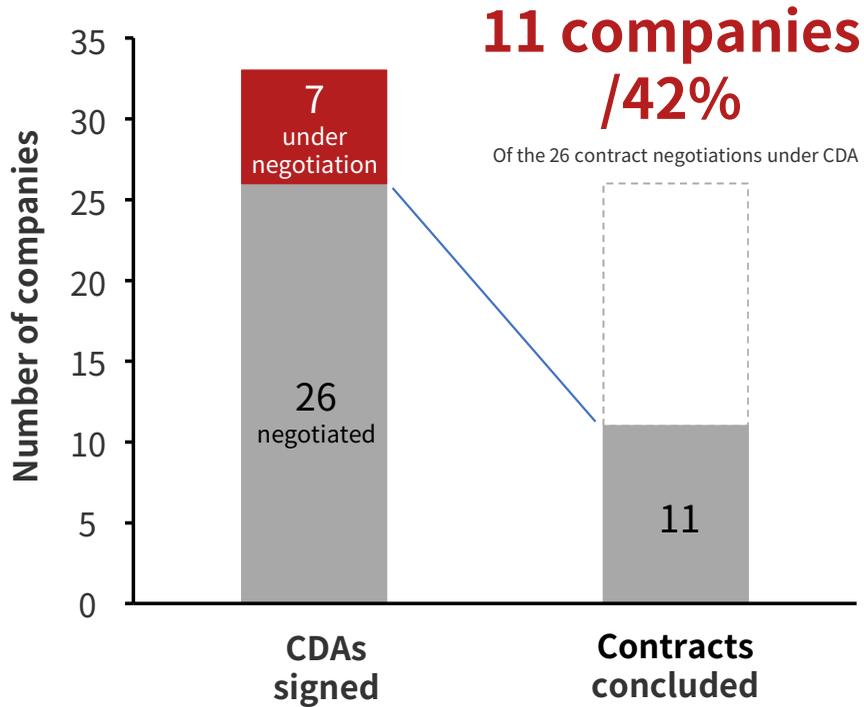
Among disease-causing genes, we have narrowed down the number of gene candidates to three based on our pipeline selection policy (i)-(v). We plan to select one gene out of the three during the 2nd quarter of FY2025, and to start drug discovery research for pipeline creation in the 3rd quarter.



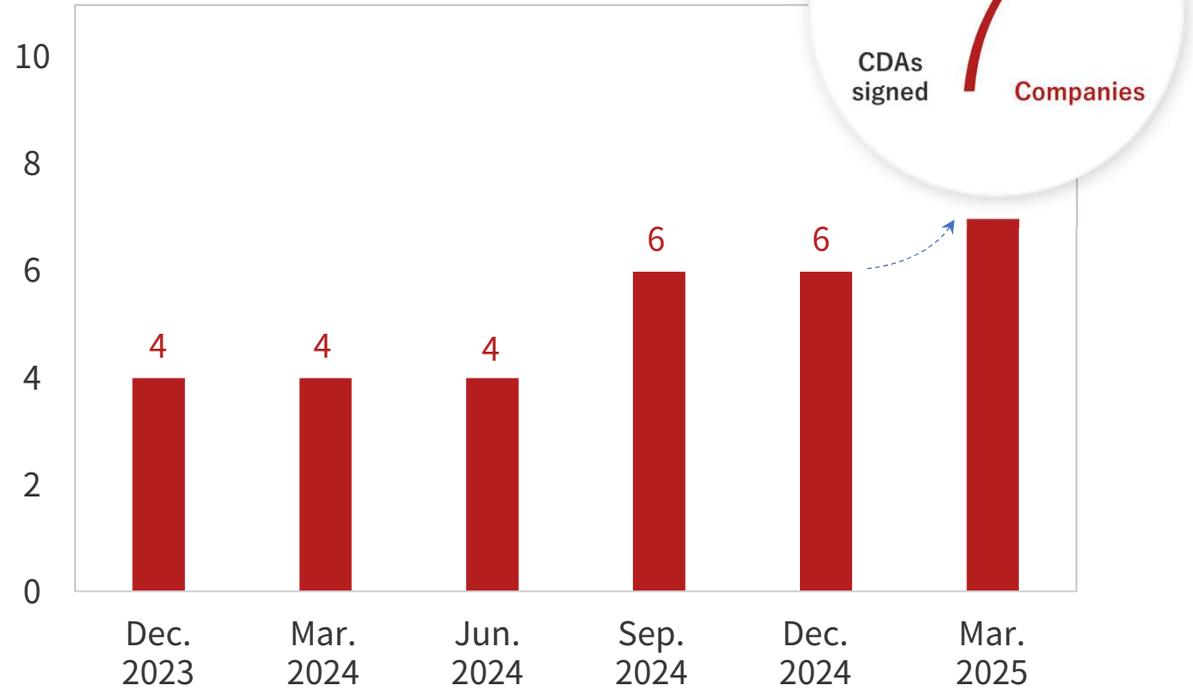
Securing the number of CDAs needed to form new partnerships with 2 companies/year

Of the pharmaceutical companies that have signed a confidential disclosure agreement (CDA), the probability of reaching a final contract after negotiations was approx. 42%, and the median period from CDA signing to contract conclusion was 14 months. Our business development policy is to ensure a commensurate number of CDAs to conclude contracts with 2 companies each year from 2025 onwards.

Cumulative number of CDAs and contracts



Trends in the number of CDAs under negotiation



Lectures and presentations in the 1st quarter of FY2025

Through lectures and presentations, we aim to build strong relationships with academia and other institutions, enhance our drug discovery technologies, and ultimately contribute to the advancement of Japan's science and technology.

Lecture at Institute of Science Tokyo



In the lecture series "Industrial Design" of the Life Engineering Course at the Institute of Science Tokyo (formerly Tokyo Institute of Technology), our representative Nakamura delivered a lecture to international students, emphasizing the importance of possessing multiple areas of expertise for future career paths.

SANKEN TECHNO SALON, University of Osaka



At the 113th Sanken Techno Salon hosted by SANKEN, Osaka University, our representative Nakamura delivered a lecture on the theme "Frontiers in Nucleic Acid-Targeted Drug Discovery," fostering interaction between academic researchers and industry professionals.

The 105th CSJ Annual Meeting (2025)



During the 105th CSJ Annual Meeting (2025), our representative Nakamura delivered keynote speeches in the Co-Innovation Program (CIP) "New Strategies for Bio-ventures to Support Future Medical Care" and the Editorial Forum "Chemistry Career Revolution: Redefining Job-Hunting Essentials."

Schedule after the 2nd quarter of FY2025

FY2025
Q2

FY2025
Q3/Q4

Promoting joint drug discovery research with partner companies

Expected conclusion of new contracts

CSO's invited lecture at international conference



Presentation at the 20th Annual Drug Discovery Chemistry in San Diego, California, U.S.

General manager of Research Institute is to give a presentation at an international conference

Genetic selection of the first pipeline

Filing of new patent application in FY2025 #2

Two new researchers joined Shin-Kawasaki Institution



New members and their colleagues

Drug discovery research for nucleic acid pipeline

Filing of new patent application in FY2025 #2

Hold Briefings sessions for investors, etc.

Participate in various exhibitions, etc.



Financial Highlights

2

Summary of business results for the 1st quarter of FY2025

The joint drug discovery research with each pharmaceutical partner progressed as planned, resulting in the business revenue of 24 million yen from research support funds. We project a return to profit in FY2025 due to upfront payments from new contracts, and milestone payments and research support funds from ongoing joint drug discovery research.

Summary of Profit and Loss Statements

(millions of yen)

	FY2024 Q1	FY2025 Q1	Change amount	Change rate
Business revenue	32	24	- 8	- 25%
Business expenses	97	105	7	8.2%
Operating profit	- 65	- 81	- 16	—
Non-operating profit (loss)	- 22	1	23	—
Ordinary profit	- 87	- 79	7	—
Net profit	- 87	- 79	7	—

FY2025 Q1 Breakdown (millions of yen)

Research support funds 24

R&D expenses 41
SGA expenses 63

Trends in Quarterly Performance (FY2023Q3-FY2025Q1)

Quarterly Performance (millions of yen)

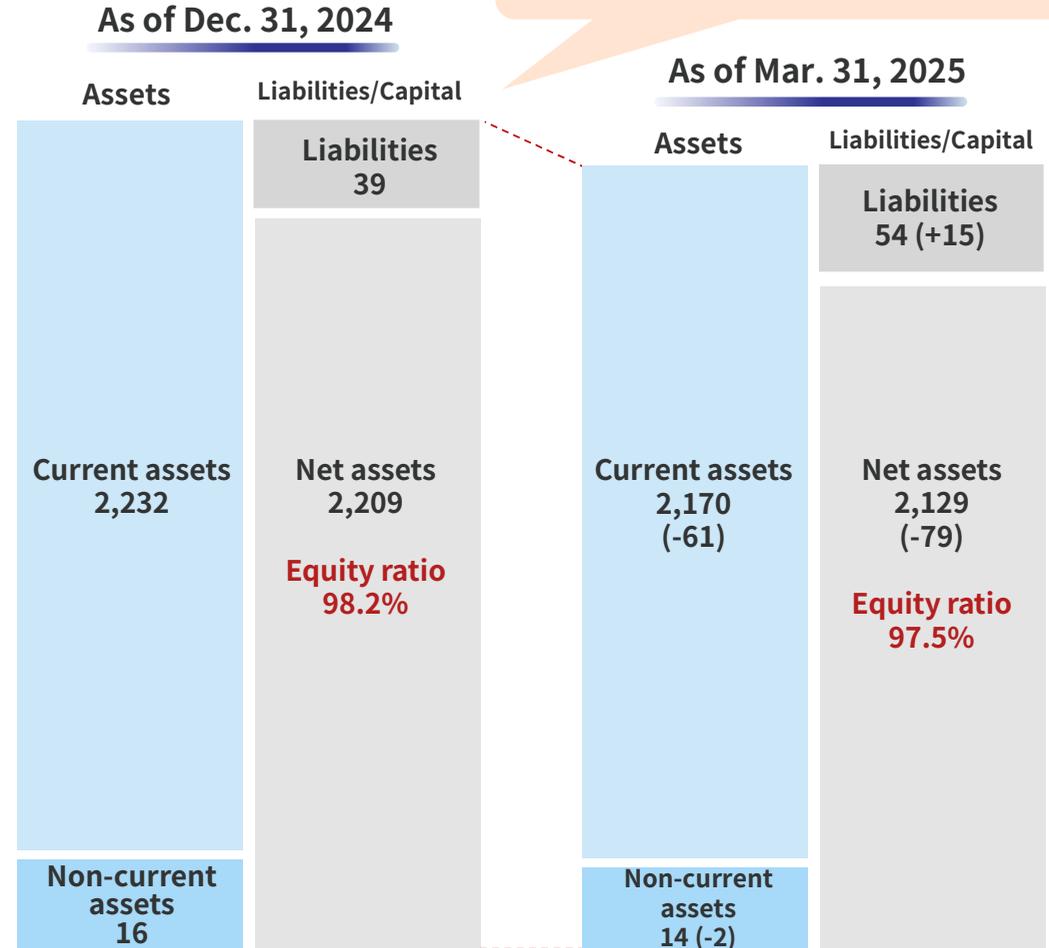
Quarter over Quarter	FY2023 Q3	FY2023 Q4	FY2024 Q1	FY2024 Q2	FY2024 Q3	FY2024 Q4	FY2025 Q1
Business revenue	29	81	32	83	49	29	24
Business expenses	80	83	97	85	104	120	105
Operating profit (loss)	-51	-2	-65	-1	-54	-91	-81
Non-operating profit (loss)	-1	0	-22	0	0	1	1
Ordinary profit (loss)	-53	-1	-87	-1	-54	-90	-79
Net profit (loss) for each quarter	-53	-2	-87	-2	-55	-90	-79

Trends in Financial Position

Balance Sheets (millions of yen)

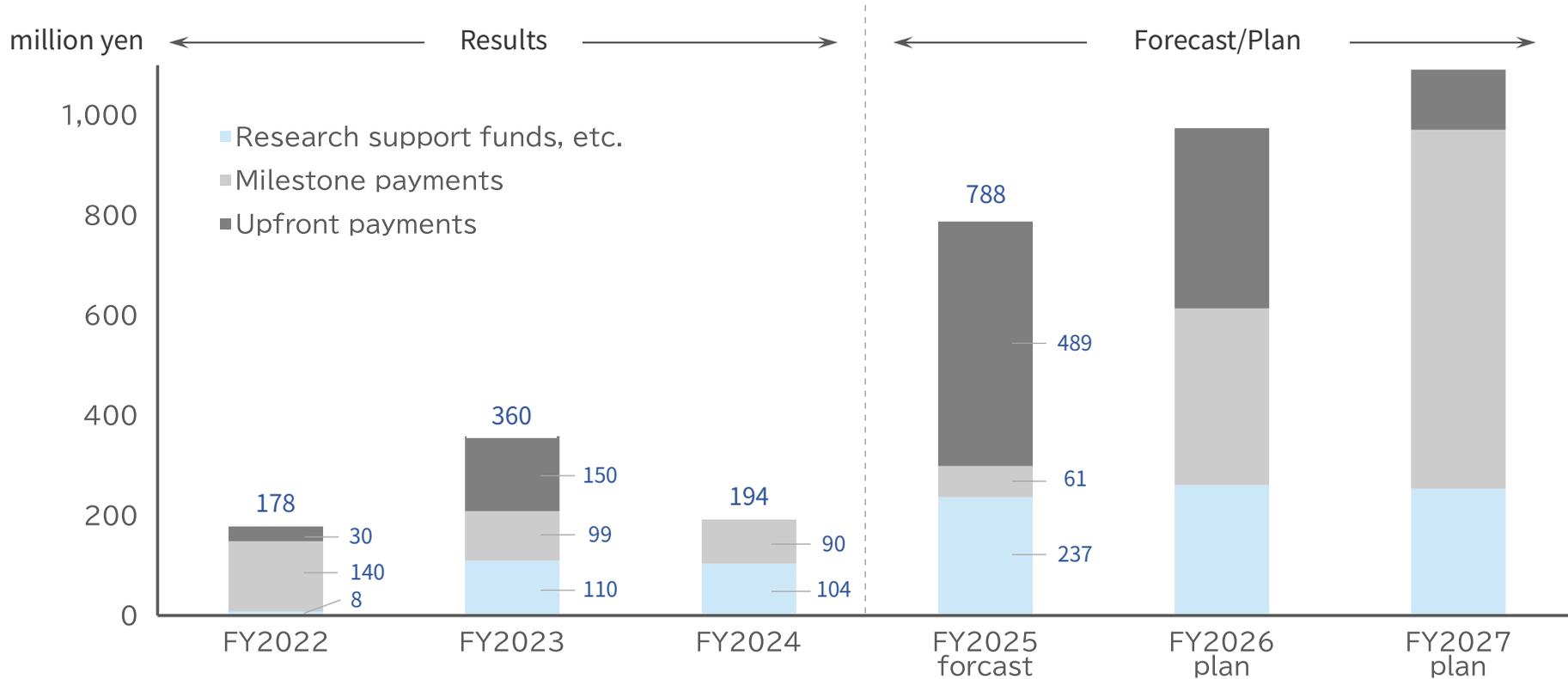
	As of Dec. 31, 2024	As of Mar. 31, 2025
Cash and deposits	2,173	2,112
Total current assets	2,232	2,170
Property, plant and equipment	14	11
Total non-current assets	16	14
Total assets	2,248	2,184
Total liabilities	39	54
Share capital	77	77
Total net assets	2,209	2,129
Total liabilities and net assets	2,248	2,184

Balance Sheets Transition (millions of yen)



Annual business revenue: track records and forecast/plan

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 and securing stable income from research support funds, etc.

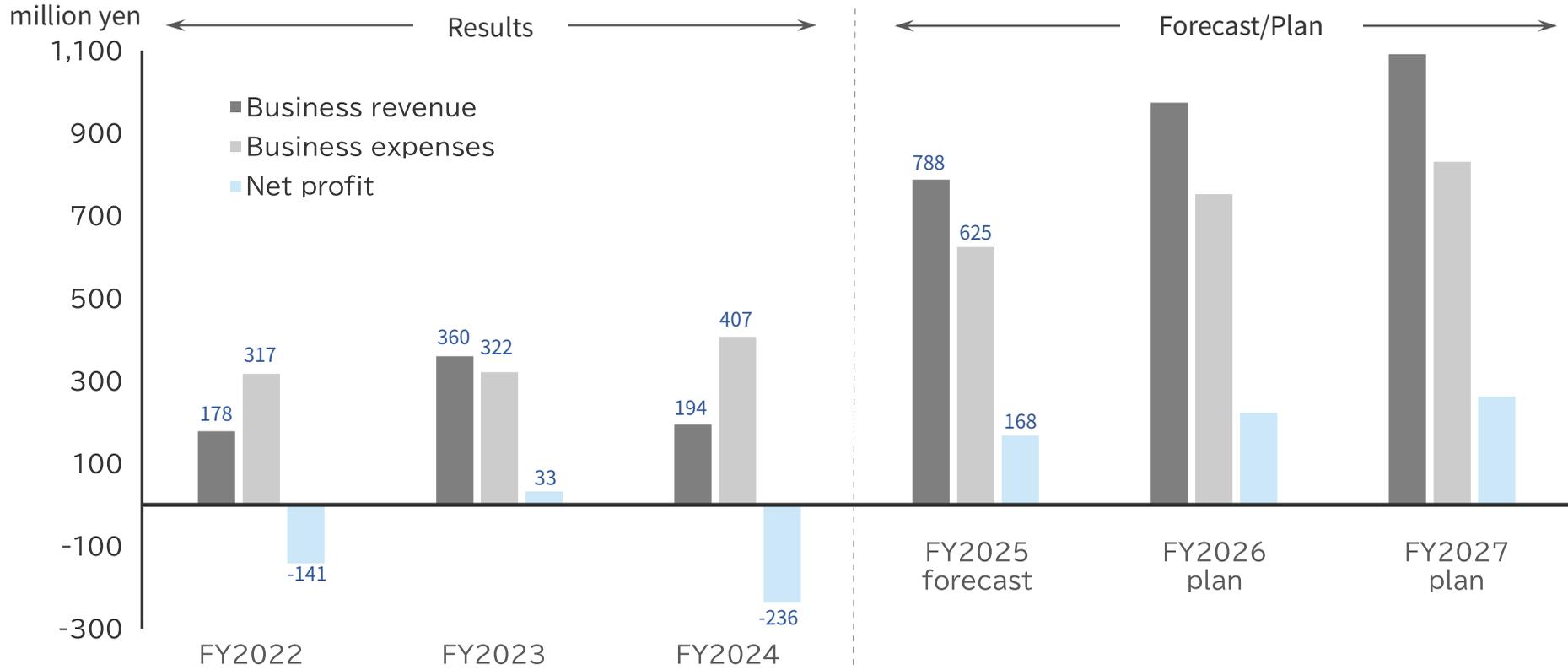


Note: The graph for FY2025 to FY2027 is based on the accumulation of expected revenue amount for each customer and project, for which a contract is expected to be concluded. The figures for plans are not disclosed.

Annual financial results: track records and forecast/plan

From FY2025 onwards, we aim to return to profitability by acquiring new contracts and achieving milestones, etc.

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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



Veritas In Silico