



May 13, 2025

Company name: PeptiDream Inc.
Representative: Patrick C. Reid, President and CEO
(Securities code: 4587; TSE Prime Market)
Inquiries: Yuko Okimoto, Head of Investor Relations
(Tel: +81-44-223-6612)

Notice Regarding the Establishment of a Special Investigation Committee

KANAGAWA, JAPAN – May 13, 2025 - PeptiDream Inc., a public Kanagawa, Japan-based biopharmaceutical company (President: Patrick C. Reid, hereinafter "PeptiDream") (Tokyo: 4587) today announced that an extraordinary meeting of the Board of Directors was held today and resolved to establish a Special Investigation Committee ("Committee") as detailed below.

1. Background of the Establishment of the Special Investigation Committee

On April 22 of this year, PeptiDream became aware of the possibility that the inappropriate ordering and removal of reagents may have occurred between March 2017 and January 2025 in our drug discovery and development business, and PeptiDream has been working to gather further details related to the matter in question. The matter was brought to the attention of PeptiDream management soon after a new procurement system was implemented on April 1, 2025. The total value of the related reagents in question is approximately 55 million yen. The individual suspected of involvement in this matter no longer works at PeptiDream.

PeptiDream has determined that the conduct in question deviated from standard practices thereby eluding internal company controls, and thus a thorough investigation is warranted to determine the complete facts of the matter and prevent any future possibility of a recurrence. In light of these findings, the Board of Directors as of today has decided to establish a Special Investigation Committee, to include external experts, in order to conduct a fair and appropriate investigation of the matter.

2. Composition of the Special Investigation Committee

The special investigation committee will be chaired by our independent outside director, Kiichiro Kamiya, whose term of office does not overlap with the period when the matter in question occurred, and in order to ensure a fair and proper investigation, external attorneys with expertise in conducting such investigations will serve as committee members.

Chairperson: Kiichiro Kamiya (Independent Outside Director, Auditing Committee Member)

Committee Member: Akira Takeuchi (Proact Law Office, Lawyer, Certified Fraud Examiner)

Committee Member: Eri Iwabuchi (Proact Law Office, Lawyer, Certified Fraud Examiner)

3. Purpose of the Special Investigation Committee

- To investigate the facts and scope of the matter in question
- To identify how the matter in question could have occurred and propose measures to prevent any possibility of recurrence
- To address any other matters deemed necessary by the Committee

4. Impact on Business Performance

At present, the impact of this matter on previously announced financial results and the first quarter financial results for the fiscal year 2025 announced today is minor.

5. Future Actions

PeptiDream will fully support and cooperate with the investigation by the Special Investigation Committee and the investigation will commence as soon as possible. Upon receiving the investigation report from the Special Investigation Committee, PeptiDream will promptly disclose the findings and follow all proposed measures.