Translation

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Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

May 14, 2026

Company name:	Tsubota Laboratory Incorporated
Stock exchange listings:	Tokyo Stock Exchange
Stock code:	4890
URL:	https://tsubota-lab.com/
Representative:	Kazuo Tsubota, President and Representative Director
Contact:	Keisuke Mitsuoka, Executive Officer, General Manager of Corporate Planning and Administration Division
TEL:	+81-3-6384-2866
Scheduled date for ordinary general meeting of shareholders:	June 23, 2026
Scheduled date for dividend payment:	None
Scheduled date for submission of securities report:	June 19, 2026
Supplementary materials for financial summaries:	Yes
Financial results briefing:	Yes

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

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (from April 01, 2025 to March 31, 2026)

(1) Operating results

(Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	200	(85.3)	(787)	-	(760)	-	(761)	-
March 31, 2025	1,357	101.5	235	-	281	-	205	-

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets ratio	Net sales Operating profit margin
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	(29.58)	-	(62.2)	(39.8)	(393.9)
March 31, 2025	8.04	7.92	13.9	11.7	17.4

(Reference) Investment profit (loss) on equity method Fiscal year ending March 2026 - million yen Fiscal year ended March 2025 - million yen

(Note) Regarding diluted earnings per share for the fiscal year ending March 2026, although there are potential shares,
Not presented as there is a net loss per share for the period.

(2) Financial positions

	Total assets	Equity	Equity to total assets ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2026	1,318	863	65.5	33.49
March 31, 2025	2,503	1,587	63.4	61.91

(Reference) Owner's equity Fiscal year ending March 2026: 863 million yen Fiscal year ended March 2025: 1,587 million yen

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2026	(577)	(8)	17	969
March 31, 2025	(317)	(14)	(12)	1,538

2. Cash dividends

	Annual dividends per share					Total dividends (aggregate)	Payout ratio	Ratio of distributions to net assets
	End of first quarter	End of second quarter	At the end of the third quarter	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2025	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ended March 31, 2026	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending March 31, 2027 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Non-consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2027 (from April 01, 2026 to March 31, 2027)

	Revenue		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending March 31, 2027	1,100~1,500	549.9~749.9	5~50	-	45~90	-	45~90	-	1.74~3.49

* Notes

(1) Changes in accounting policies, changes in accounting estimates, retrospective restatement

(i) Changes in accounting policies due to revisions of accounting standards: None

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates : None

(iv) Retrospective restatement : None

(2) Number of shares issued (common stock)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	25,794,300 shares
As of March 31, 2025	25,639,300 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2026	- shares
As of March 31, 2025	- shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	25,755,903 shares
Fiscal year ended March 31, 2025	25,595,606 shares

* Financial results reports are not subject to audits by certified public accountants or audit corporations.

* Notes on the appropriate use of forecasts and other special items

(Cautionary Statement Regarding Forward-Looking Statements)

Forward-looking statements such as earnings forecasts contained in this document are based on information currently available to the Company and certain assumptions deemed reasonable. They are not intended as a guarantee of achievement. Actual results may differ significantly due to various factors.

Table of Contents for Attached Materials

1. Overview of Operating Results, etc.

(1) Overview of operating results for the period

During the fiscal year (April 1, 2025 to March 31, 2026), the Japanese economy continued on a moderate recovery trend, supported by factors such as rising wages, a recovery in inbound demand, and an expansion of corporate capital investment. On the other hand, uncertainties regarding the future persisted, including rising energy and raw material prices due to heightened geopolitical risks, exchange rate fluctuations stemming from interest rate differentials with Europe and the United States, and uncertainties in the trade environment caused by changes in overseas political developments.

Under these circumstances, as a venture company originating from Keio University School of Medicine, we have been promoting the research, development, and commercialization of pharmaceuticals and medical devices in areas with high unmet medical needs, such as myopia, dry eye, presbyopia, and neurological diseases, under our purpose of "Making the future delightful through visionary innovation."

Our business model is to out-license research and development results to partner companies both in Japan and overseas, thereby generating upfront payments, milestone revenues according to development progress, and royalty income after product launch. As a result, our annual revenue fluctuates depending on the status of contract signings and development progress. We aim to continuously accumulate medium- to long-term milestone and royalty income through the advancement of multiple pipelines.

In research and development activities, in addition to basic research aimed at creating intellectual property and expanding the pipeline, we worked to enhance our development system through strengthened collaboration with joint research partners.

In the field of myopia, the observation period for the confirmatory clinical trial of the medical device "TLG-001," which utilizes violet light technology, has been completed, and the primary analysis regarding efficacy has been conducted. In this trial, no cases of discontinuation due to serious adverse events were observed, and a favorable safety profile was confirmed under the treatment concept assuming continued use in children. In addition, among the group of subjects with shorter outdoor activity time, a statistically significant difference was observed in the TLG-001 group. Regarding the pharmaceutical pipeline in this field, a domestic Phase II clinical trial for "TLM-003," based on a long-term development agreement with Rohto Pharmaceutical Co., Ltd., has commenced, and overseas, a Phase II trial has also been initiated by Thea, the licensee.

In the field of dry eye, a Phase IIa clinical trial for "TLM-001," targeting meibomian gland dysfunction (MGD), has been initiated by the licensee, Maruho Co., Ltd. In addition, a specified clinical study has commenced for the eye drop "TLM-017," which is based on a novel pharmacological mechanism.

In the field of neurological diseases, we are promoting preclinical research on medical device equipment utilizing violet light technology under T-SBIR, and have been accumulating research results. We are working toward further advancement of these studies.

In other fields, regarding "TLG-020," a specified clinical study targeting retinitis pigmentosa has been initiated at Keio University. In addition, a specified clinical study was conducted on the women's menstrual irregularity treatment device "TLG-021," which utilizes violet light technology, and the results suggested the potential of a new intervention approach through circadian rhythm adjustment.

In terms of business development, in addition to actively participating in international conferences and exhibitions, we have also strengthened our activities through academic networks, working to enhance recognition of our technology and create out-licensing opportunities. We are continuing discussions with partner companies both in Japan and overseas toward concluding out-licensing agreements.

In addition, for "TLM-001" targeting MGD, milestone revenue was recorded in conjunction with the initiation of a Phase IIa trial by Maruho Co., Ltd.

In addition, as a new business, we have entered into an exclusive distribution agreement for the basic skincare brand "aeonia," developed by Delavie Sciences in the United States based on research at Harvard University, and have commenced sales in Japan.

As a result, for the current fiscal year, net sales were 200,022 thousand yen (previous fiscal year: 1,357,133 thousand yen), operating loss was 787,816 thousand yen (previous fiscal year: operating profit of 235,467 thousand yen), ordinary loss was 760,923 thousand yen (previous fiscal year: ordinary profit of 281,499 thousand yen), and net loss was 761,815 thousand yen (previous fiscal year: net income of 205,766 thousand yen). This was due to the reactionary decline following the recording of a large upfront payment from an out-licensing agreement in the previous fiscal year, as well as the continued investment in research and development during the current fiscal year. The company will continue to invest in research and development in order to enhance corporate value over the medium to long term.

As the Company operates a single segment in the research and development business, segment information is not presented.

(Unit: Thousands of yen)

	Revenue	Operating profit or Operating loss (-)	Ordinary profit or Ordinary loss (-)	Net income or Net loss (-)	Net income per share Net income or Net income per share Net loss (-)
For the fiscal year	200,022	(787,816)	(760,923)	(761,815)	29.58 yen
Previous fiscal year	1,357,133	235,467	281,499	205,766	8.04 yen
increase/decrease	(1,157,110)	(1,023,283)	(1,042,423)	(967,582)	37.62 yen

(2) Overview of the financial position for the period

Financial Position

	Previous fiscal year	For the fiscal year	increase/decrease
Total assets (thousand yen)	2,503,123	1,318,780	(1,184,342)
Total liabilities (thousand yen)	915,850	454,923	(460,927)
Total net assets (thousand yen)	1,587,272	863,856	(723,415)
Equity to total assets ratio (%)	63.4	65.5	2.1
Net assets per share (Yen)	61.91	33.49	(28.42)

(Current assets)

At the end of the fiscal year, the balance of current assets was 1,281,089 thousand yen, a decrease of 1,164,219 thousand yen compared to the end of the previous fiscal year. This was mainly due to decreases of 569,004 thousand yen in cash and deposits, 531,515 thousand yen in accounts receivable - trade, and 19,416 thousand yen in consumption taxes refund receivable.

(Non-current assets)

At the end of the fiscal year, the balance of Non-current assets was 37,691 thousand yen, a decrease of 20,123 thousand yen compared to the end of the previous fiscal year. This was mainly due to a decrease of 16,573 thousand yen in Tools, furniture and fixtures and a decrease of 1,836 thousand yen in Patent right.

(Current liabilities)

The balance of current liabilities at the end of the fiscal year was 407,993 thousand yen, a decrease of 438,643 thousand yen compared to the end of the previous fiscal year. This was mainly due to decreases in accounts payable - trade by 126,564 thousand yen, income taxes payable by 81,155 thousand yen, contract liabilities by 87,193 thousand yen, and provisions for contract losses by 181,084 thousand yen.

(Non-current liabilities)

At the end of the fiscal year, the balance of non-current liabilities was 46,930 thousand yen, a decrease of 22,284 thousand yen compared to the end of the previous fiscal year. This was due to a decrease of 22,284 thousand yen in long-term borrowings.

(Net assets)

At the end of the fiscal year, total net assets amounted to 863,856 thousand yen, a decrease of 723,415 thousand yen compared to the end of the previous fiscal year. This was due to the recording of a net loss of 761,815 thousand yen for the period.

(3) Overview of Cash Flows for the Period

The balance of cash and cash equivalents (hereinafter referred to as "funds") at the end of the fiscal year was 969,849 thousand yen. The cash flows during the fiscal year and the factors affecting them are as follows.

(Cash flows from operating activities)

Net cash used in operating activities was 577,828 thousand yen (compared to an outflow of 317,754 thousand yen in the same period of the previous year). This was mainly due to increases in trade receivables of 531,515 thousand yen, inventories of 96,575 thousand yen, accounts payable of 16,083 thousand yen, depreciation of 20,993 thousand yen, and consumption taxes refund receivable of 19,416 thousand yen. On the other hand, there were decreases due to loss before income taxes of 760,865 thousand yen, changes in contract loss provisions of 181,084 thousand yen, trade payables of 126,564 thousand yen, contract liabilities of 87,193 thousand yen, and income taxes paid of 113,170 thousand yen.

(Cash flows from investing activities)

Net cash used in investing activities was 8,409 thousand yen (compared to an outflow of 14,547 thousand yen in the same period of the previous year). This was mainly due to a decrease in purchase of property, plant and equipment by 8,780 thousand yen.

(Cash flows from financing activities)

As a result of financing activities, funds obtained amounted to 17,234 thousand yen (compared to an outflow of 12,246 thousand yen in the same period of the previous year). This was due to proceeds from issuance of shares of 38,400 thousand yen, while there was an outflow of 21,166 thousand yen for repayments of long-term borrowings.

(4) Future Outlook

The Company operates as a research and development-oriented enterprise focusing on pharmaceuticals, medical devices, and healthcare finished goods, conducting its business within a single business segment. Revenue is primarily comprised of upfront payments from out-licensing agreements, milestone income based on development progress, royalty income after product launch, and consulting service income.

In our sales composition, upfront payments are recorded at the time of conclusion of out-licensing agreements, and therefore depend on the timing of contract execution, resulting in highly volatile revenue. On the other hand, milestone income and royalty income related to already out-licensed projects are recognized in line with development progress and post-launch sales trends, and thus have different revenue characteristics from upfront payments.

In order to maximize the value of each pipeline, we are promoting out-licensing activities to optimal partner companies targeting Japan, China, Europe, the United States, and other Asian countries.

The current main pipeline and anticipated indications are as follows. For these pipelines, in addition to upfront payments based on license agreements, we expect contributions to revenue from milestone income according to development progress and royalty income after product launch.

[Pharmaceuticals]

・TLM-003: Myopia (Ophthalmology)
・TLM-017: Corneal and conjunctival disorders (Ophthalmology)
・TLM-018: Already launched
・TLM-023: Myopia (Ophthalmology)

[Medical Devices]

・TLG-001: Myopia (Ophthalmology)
・TLG-003: Keratoconus (Ophthalmology)
・TLG-005D: Depression (central nervous system)
・TLG-005P: Parkinson's disease (central nervous system)
・TLG-020: Retinitis pigmentosa (Ophthalmology)
・TLG-021: Menstrual irregularity (gynecology)

In addition to the above development pipeline, for the following finished goods and out-licensed projects, we expect contributions to sales from milestone income based on out-licensing agreements according to development progress, as well as royalty income after product launch.

[Finished goods]

・JINS VIOLET+ (JINS Inc.)
・JINS PROTECT MOIST (JINS Inc.)
- Rohto Clear Vision Junior (Rohto Pharmaceutical Co., Ltd.)
- Rohto iVision (Rohto Pharmaceutical Co., Ltd.)

[Exported Project]

・TLM-001: Meibomian gland dysfunction (Maruho Co., Ltd.)
・TLM-003: Myopia (ROHTO Pharmaceutical Co., Ltd., Laboratoires Théa, Chinese companies)

In formulating the Net sales forecast for the next period, we have considered milestone revenues according to the progress of already out-licensed projects and upfront payments from new out-licensing agreements separately. For milestone revenues related to already out-licensed projects, the timing of recognition may fluctuate depending on the progress of clinical development. For new out-licensing agreements, based on the current status of negotiations and past out-licensing achievements, we have formulated conservative and reasonable forecast figures that emphasize feasibility, so as not to be overly optimistic or pessimistic.

On the cost side, we will continue to focus on strengthening research and development as well as intellectual property through collaboration with leading research institutions and joint research partners both in Japan and overseas. For the next fiscal year, we plan to invest 400 million yen in research and development.

In addition, in order to steadily execute these plans, we will promote the recruitment and development of human resources, strengthen our key capabilities, and work to build a management foundation that supports our sustainable growth.

Please note that existing license agreements and joint research agreements may be terminated before their expiration due to changes in the business policies or management environment of partner companies. Although no such events have occurred as of now, if any contract is terminated, it may affect our business performance. Should any significant matters arise, we will make timely disclosures.

Based on the above, for the next fiscal period, we expect to record milestone revenues associated with the progress of already out-licensed projects and to conclude new out-licensing agreements. As a result, we anticipate improvements in net sales and all profit items.

These performance forecasts are based on information currently available and are projections; due to uncertainties in future business environments and contract negotiations, actual results may differ significantly from these forecasts.

(5) Significant events, etc. regarding the assumption of a going concern

As a university-originated research and development company, we are promoting research and development activities in the fields of pharmaceuticals, medical devices, and healthcare.

Due to the nature of this business, research and development expenses are incurred in advance, while revenue fluctuates depending on the timing of recognition of contract lump-sum payments, milestone income, and royalty income based on license agreements and other contracts. As a result, period profit and loss and operating cash flow tend to fluctuate significantly.

During the fiscal year, the company recorded a significant operating loss, and there are events or circumstances that raise substantial doubt about the company's ability to continue as a going concern. However, the company possesses multiple out-licensing achievements and a research and development pipeline, and continues to promote business development activities with partner companies both domestically and internationally. In addition, the company is implementing appropriate cost controls on research and development investments by prioritizing them.

In the next fiscal year, in addition to steadily advancing existing contracts and ongoing projects, we expect to achieve operating profitability by implementing cost management in line with business progress.

In terms of funding, as of the end of the current fiscal year, we have a sufficient balance of cash and deposits, and we have secured the necessary funds to continue our business activities for the next year.

Based on the above measures and our financial condition, we have determined that there are no material uncertainties regarding the going concern assumption.

2. Basic policy regarding the selection of accounting standards

Taking into consideration the comparability of financial statements among companies, our company will, for the time being, prepare financial statements in accordance with Japanese GAAP. With regard to the adoption of International Financial Reporting Standards, we will respond appropriately based on domestic and international circumstances.

3. Financial Statements and Main Notes (1) Balance sheet

(Unit: Thousands of yen)

	Previous fiscal year (March 31, 2025)	For the fiscal year (March 31, 2026)
Assets		
Current assets		
Cash and deposit	1,538,853	969,849
Accounts receivable - trade	545,979	14,463
Merchandise	-	3,424
Work in process	285,500	185,500
Prepaid expenses	6,653	16,554
Consumption taxes refund receivable	62,187	42,771
Income taxes refund receivable	-	41,040
Others	6,134	7,485
Total current asset	2,445,308	1,281,089
Non-current assets		
Property, plant, and equipment		
Buildings and structures	3,410	3,410
Accumulated depreciation	(152)	(380)
Buildings and structures, net	3,257	3,029
Tools, furniture and fixtures	143,476	139,170
Accumulated depreciation	(102,756)	(115,024)
Tools, furniture and fixtures, net	40,719	24,146
Total property, plant and equipment, net	43,977	27,175
Intangible assets		
Patent right	6,831	4,994
Total intangible assets	6,831	4,994
Investment Other assets		
Long-term prepaid expenses	3,107	2,559
Other	3,898	2,960
Total investment and other assets	7,005	5,520
Total non-current assets	57,814	37,691
Total assets	2,503,123	1,318,780

(Unit: Thousands of yen)

	Previous fiscal year (March 31, 2025)	For the fiscal year (March 31, 2026)
Liabilities		
Current liabilities		
Trade payables	135,663	9,099
Current portion of long-term borrowings	21,166	22,284
Accounts payable	72,493	82,443
Income taxes payable	86,122	4,966
Contract liabilities	315,498	228,305
Contract loss provisions	206,392	25,308
Other	9,299	35,586
Total current liabilities	846,636	407,993
Non-current liabilities		
Long-term borrowings	69,214	46,930
Total non-current liabilities	69,214	46,930
Total liabilities	915,850	454,923
Net assets		
Shareholders' equity		
Share capital	825,197	844,397
Capital surplus		
Legal capital surplus	809,197	828,397
Total capital surplus	809,197	828,397
Retained earnings		
Other retained earnings	(47,121)	(808,937)
Retained earnings brought forward	(47,121)	(808,937)
Total retained earnings	(47,121)	(808,937)
Total shareholders' equity	1,587,272	863,856
Total net assets	1,587,272	863,856
Total liabilities and net assets	2,503,123	1,318,780

(2) Statement of income

(Unit: Thousands of yen)

	Previous fiscal year From April 1, 2024 Until March 31, 2025	For the fiscal year From April 1, 2025 until March 31, 2026
Revenue	1,357,133	200,022
Cost of sales	180,231	68,453
Gross profit	1,176,901	131,569
Selling, general and administrative expenses	941,433	919,386
Operating profit (loss)	235,467	(787,816)
Non-operating income		
Interest income	961	3,045
Foreign exchange gains	38,170	52
Subsidy income	4,024	20,467
Recoveries of written off receivables	1,584	1,584
Other	2,378	2,441
Total non-operating income	47,118	27,591
Non-operating expenses		
Interest expense	1,085	698
Total non-operating expenses	1,085	698
Ordinary profit (loss)	281,499	(760,923)
Extraordinary income		
Gain on sale of non-current assets	-	58
Total extraordinary income	-	58
Extraordinary losses		
Loss on sale of non-current assets	449	-
Total extraordinary losses	449	-
Profit (loss) before income taxes	281,049	(760,865)
Income taxes - current	75,283	950
Total income taxes	75,283	950
Profit (loss)	205,766	(761,815)

(3) Statement of changes in equity

Previous fiscal year (from April 1, 2024 to March 31, 2025)

(Unit: Thousands of yen)

	Shareholders' equity						Total net assets
	Share capital	Capital surplus		Retained earnings		Total shareholders' equity	
		Legal capital surplus	Capital surplus Total	Other Retained earnings	Retained earnings Total		
				Carried forward Retained earnings			
Balance at the beginning of the period	818,060	802,060	802,060	(252,888)	(252,888)	1,367,231	1,367,231
Changes during period							
Issuance of new shares	7,137	7,137	7,137			14,274	14,274
Net income				205,766	205,766	205,766	205,766
Total changes during period	7,137	7,137	7,137	205,766	205,766	220,040	220,040
Balance at end of period	825,197	809,197	809,197	(47,121)	(47,121)	1,587,272	1,587,272

For the fiscal year ending March 31, 2026

(Unit: Thousands of yen)

	Shareholders' equity						Total net assets
	Share capital	Capital surplus		Retained earnings		Total shareholders' equity	
		Legal capital surplus	Capital surplus Total	Others Retained earnings	Retained earnings Total		
				Carried forward Retained earnings			
Balance at the beginning of the period	825,197	809,197	809,197	(47,121)	(47,121)	1,587,272	1,587,272
Changes during period							
Issuance of new shares	19,200	19,200	19,200			38,400	38,400
Net loss (-)				(761,815)	(761,815)	(761,815)	(761,815)
Total changes during period	19,200	19,200	19,200	(761,815)	(761,815)	(723,415)	(723,415)
Balance at end of period	844,397	828,397	828,397	(808,937)	(808,937)	863,856	863,856

(4) Statement of cash flows

(Unit: Thousands of yen)

	Previous fiscal year From April 1, 2024 Until March 31, 2025	For the fiscal year From April 1, 2025 until March 31, 2026
Cash flows from operating activities		
Profit (loss) before income taxes	281,049	(760,865)
Depreciation	28,754	20,993
Interest income	(961)	(3,045)
Interest expense	1,085	698
Loss (gain) on sale of property, plant and equipment	449	(58)
Subsidy income	(4,024)	(20,467)
Increase (decrease) in contract loss provisions (- indicates decrease)	(121,910)	(181,084)
Decrease (increase) in trade receivables	(528,046)	531,515
(Increase) decrease in inventories	-	96,575
Increase (decrease) in trade payables	115,296	(126,564)
Increase (decrease) in accounts payable (negative indicates decrease)	22,732	16,083
Increase (decrease) in contract liabilities	(87,816)	(87,193)
Increase (decrease) in accrued consumption taxes	(66,959)	-
Decrease (increase) in consumption taxes refund receivable	-	19,416
Increase (decrease) in other assets (- indicates increase)	(4,584)	(10,937)
Increase (decrease) in other liabilities (- indicates decrease)	3,977	26,286
Other	12,349	(8,825)
Subtotal	(348,607)	(487,472)
Interest received	961	3,045
Interest paid	(1,085)	(698)
Subsidies received	4,024	20,467
Income taxes paid	(622)	(113,170)
Income taxes refund	27,575	-
Cash flows from operating activities	(317,754)	(577,828)
Cash flows from investing activities		
Proceeds from divestments	-	10
Purchase of property and equipment	(13,994)	(8,780)
Proceeds from sales of property and equipment	1,100	350
Proceeds from refund of leasehold and guarantee deposits	3,070	10
Payments of leasehold and guarantee deposits	(4,723)	-
Cash flows from investing activities	(14,547)	(8,409)
Cash flows from financing activities		
Repayment of long-term borrowings	(26,520)	(21,166)
Proceeds from issuance of shares	14,274	38,400
Cash flows from financing activities	(12,246)	17,234
Increase (decrease) in cash and cash equivalents	(344,547)	(569,004)
Cash and cash equivalents at the beginning of the period	1,883,400	1,538,853
Cash and cash equivalents at end of the period	1,538,853	969,849

(5) Notes to the Financial Statements

(Notes regarding the assumption of a going concern)

There are no applicable matters.

(Changes in accounting policies)

There are no applicable matters.

(Changes in accounting estimates)

There are no applicable matters.

(Segment Information, etc.)

As the Company operates a single segment in the research and development business and its significance is immaterial, segment information has been omitted.

(Equity in earnings (losses) of affiliates, etc.)

There are no applicable matters.

(Per share information)

	Previous fiscal year From April 1, 2024 Until March 31, 2025	For the fiscal year From April 1, 2025 until March 31, 2026
Net assets per share	61.91 yen	33.49 yen
Basic earnings per share or net loss per share (-)	8.04 yen	29.58 yen
Diluted earnings per share	7.92 yen	-

(Note) 1. Although there are potential shares for the fiscal year, diluted earnings per share is not presented because there was a net loss per share.

2. The basis for calculating basic earnings per share or net loss per share (-) and diluted earnings per share is as follows.

	Previous fiscal year (From April 1, 2024 Until March 31, 2025	For the fiscal year From April 1, 2025 Until March 31, 2026
Basic earnings per share or net loss per share (-)		
Net income or net loss (-) (thousand yen)	205,766	(761,815)
Amount not attributable to common shareholders (thousand yen)	-	-
Net income or net loss (-) attributable to common stock (thousand yen)	205,766	(761,815)
Average number of common shares (shares)	25,595,606	25,755,903
Diluted earnings per share		
Net income adjustments (thousand yen)	-	-
Increase in number of common shares (shares)	382,773	-
(of which, share acquisition rights (shares))	382,773	-
Overview of potential shares not included in the calculation of diluted earnings per share as they have no dilutive effect	-	-

3. The basis for the calculation of net assets per share is as follows.

	At the end of the previous fiscal year (March 31, 2025)	As of March 31, 2026
Total net assets (Thousand yen)	1,587,272	863,856
Amounts to be deducted from total net assets (Thousand yen)	-	-
Net assets at the end of the period attributable to common stock (Thousand yen)	1,587,272	863,856
Number of common shares at the end of the period used for calculating net assets per share (shares)	25,639,300	25,794,300

(Significant Subsequent Events)

There are no applicable matters.