

**Engaged in a platform business of collaborative development of mRNA-targeted small molecule drugs with pharmaceutical companies**

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**[130A Veritas In Silico Sector : Pharmaceutical]**

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Dec.2021	59	4.5x	-235	-	-240	-	-232	-	-51.9	306.1	0.0
Dec.2022	178	3.0x	-138	-	-138	-	-141	-	-25.7	280.4	0.0
Dec.2023 f	359	2.0x	35	-	34	-	31	-	5.7	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending December 2023 is the company's forecasts.  
It conducted 1:2 stock split on August 17, 2023. Per share indices are adjusted retroactively.

**Developing a Drug Discovery Research Platform Business for mRNA-Targeted Small Molecule Drugs**

Veritas In Silico specializes in the drug discovery research platform business. The company established the ibVIS® platform for the discovery of small-molecule drugs targeting messenger RNA (mRNA). This mRNA serves as the blueprint for the synthesis of disease-related proteins in cells by transcribing genetic information on specific proteins from DNA. The company collaborates with pharmaceutical companies on drug discovery research.

Currently, Veritas In Silico is engaged in collaborative drug discovery research with Toray Industries, Shionogi, RaQualia Pharma and Takeda Pharmaceuticals.

The action mechanism of mRNA-targeted small molecule drugs involves inhibiting the production of disease-related proteins. Small molecule drugs are combined with mRNA so that they bind with ribosomes and inhibit and control their function of performing protein synthesis in cells based on mRNA information.

mRNA-targeted small molecule drugs are garnering attention as a drug discovery and development technique. They enable the creation of drugs that can be administered orally at a low cost, similar to small molecule drugs. Moreover, they target various disease-related proteins that cannot be treated using conventional small molecule drugs.

**Drug Discovery Research for mRNA-Targeted Small Molecule Drugs Using ibVIS®**

Finding target structures for mRNA has been difficult in the past due to the various forms mRNA takes within cells. This problem was solved through the development of in silico RNA structure analysis technology by the company's CEO, Shingo Nakamura. This technology utilizes computer-based structural analysis to identify candidate target structures based on statistical mechanics theory and thermodynamic theory. The company has obtained a patent that includes a process for performing compound screening of target structures identified by in silico RNA structure analysis.

## Financial Statements

Statement of income	Fiscal Year	Dec. 2021		Dec.2022		Nine months to Sep.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Business revenue		59	100.0	178	100.0	279	100.0
Business expenses		294	498.3	317	178.1	239	85.7
Operating profit		-235	-	-138	-	39	14.0
Non-operating income		0	-	0	-	0	-
Non-operating expenses		4	-	-	-	2	-
Ordinary profit		-240	-	-138	-	37	13.3
Profit before income taxes		-229	-	-138	-	37	13.3
Net profit		-232	-	-141	-	35	12.5

Balance sheet	Fiscal Year	Dec. 2021		Dec.2022		Sep.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		1,728	98.5	1,547	96.8	1,646	98.0
Cash and deposits		1,688	96.2	1,484	92.9	1,616	96.2
Accounts receivable-trade		4	0.2	35	2.2	-	-
Inventories		16	0.9	16	1.0	15	0.9
Non-current assets		25	1.4	51	3.2	32	1.9
Property, plant and equipment		20	1.1	47	2.9	29	1.7
Intangible assets		4	0.2	2	0.1	1	0.1
Investments and other assets		0	0.0	1	0.1	1	0.1
Total assets		1,754	100.0	1,598	100.0	1,679	100.0
Current liabilities		70	4.0	55	3.4	101	6.0
Accounts payable - trade		-	-	-	-	-	-
Net assets		1,683	96.0	1,542	96.5	1,578	94.0
Owners' equity		1,683	96.0	1,542	96.5	1,578	94.0

Statement of cash flows	Fiscal Year	Dec. 2021	Dec.2022
		(mn yen)	(mn yen)
Cash flows from operating activities		-234	-148
Depreciation		18	30
Cash flows from investing activities		7	-55
Cash flows from financing activities		1,395	-
Dividends paid		-	-
Net increase in cash and cash equivalents		1,167	-204
Cash and cash equivalents		1,688	1,484

Note: Non-consolidated

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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