

Develops small molecule drugs that modulate intracellular protein-protein interactions

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【206A PRISM BioLab 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)
Sep. 2022	554	9.6x	66	-	78	-	72	-	2.7	-15.4	0.0
Sep. 2023	112	-79.8	-496	-	-497	-	-526	-	-19.1	-34.5	0.0
Sep. 2024 f	300	2.7x	-888	-	-914	-	-1,160	-	-40.0	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending September 2024 is the company's forecasts.
It conducted 1:200 stock split on May 9, 2024. Per share indices are adjusted retroactively.

Developing Drugs using PepMetics Technology

Through its proprietary PepMetics (peptide mimetics) technology, PRISM BioLab develops small-molecule drugs that modulate intracellular protein-protein interactions (PPI) using small-molecule organic compounds that mimic peptides.

Within the cell, in response to external stimuli, a variety of proteins transmit signals to DNA in the cell nucleus, leading to the generation of mRNA. Translation of the mRNA information results in the production of new proteins. PPIs play an important role in intracellular signal transduction. When abnormal, they are the source of disease and, therefore, a target for drug discovery to treat disease.

The company's PepMetics Technology creates peptide mimetic small-molecule organic compounds with a wide range of three-dimensional structures. These compounds bind to the target protein in the cell and, through the action of the amino acid side chain, exert their pharmacological effect by inhibiting the PPI from binding to the partner protein.

Business Models

PRISM BioLab has two business models: in-house development and collaborative development.

In its in-house development business, the company chooses drug discovery targets and generates initial compounds (hit compounds) that are active against these targets. It optimizes the hit compounds into clinical candidate compounds and then licenses them to pharmaceutical companies. Through this business model, the company receives an upfront payment at the time of licensing, then receives payments upon development milestone achievements and earns royalty income on post-sale revenue.

In its collaborative business, the company will leverage its PepMetics compound library to generate hit compounds and optimize compounds for drug discovery targets chosen by partner pharmaceutical companies. PRISM BioLab receives upfront payments, collaborative research revenues, and royalties based on development-based milestones and sales. The collaborative business requires little investment on the part of the company and profitability is expected at an early stage.

Financial Statements

Statement of income	Fiscal Year	Sep. 2022		Sep. 2023		Six months to Mar.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		554	100.0	112	100.0	115	100.0
Cost of sales		19	3.4	32	28.6	45	39.1
Gross profit		535	96.6	80	71.4	70	60.9
Selling, general and administrative expenses		468	84.5	577	5.2x	404	3.5x
Operating profit		66	11.9	-496	-	-334	-
Non-operating income		13	-	0	-	16	-
Non-operating expenses		1	-	0	-	5	-
Ordinary profit		78	14.1	-497	-	-322	-
Profit before income taxes		74	-	-525	-	-335	-
Net profit		72	13.0	-526	-	-336	-

Balance sheet	Fiscal Year	Sep. 2022		Sep. 2023		Mar.2024	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		1,732	99.5	1,197	98.8	3,059	99.1
Cash and deposits		1,687	97.0	1,133	93.6	2,960	95.9
Accounts receivable-trade		21	1.2	-	-	3	0.1
Inventories		-	-	-	-	-	-
Non-current assets		8	0.5	13	1.1	27	0.9
Property, plant and equipment		0	0.0	0	0.0	0	0.0
Intangible assets		-	-	-	-	-	-
Investments and other assets		8	0.5	13	1.1	27	0.9
Total assets		1,740	100.0	1,211	100.0	3,086	100.0
Current liabilities		65	3.2	63	5.2	774	25.1
Accounts payable - trade		-	-	-	-	-	-
Non-current liabilities		0	0.0	0	0.0	0	0.0
Net assets		1,674	96.2	1,148	94.8	3,086	100.0
Owners' equity		1,674	96.2	1,147	94.7	3,086	100.0

Statement of cash flows	Fiscal Year	Sep. 2022	May. 2023	Six months to Mar.2024
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		102	-513	340
Depreciation		1	8	-
Cash flows from investing activities		-7	-40	-24
Cash flows from financing activities		110	-	1,494
Dividends paid		-	-	-
Net increase in cash and cash equivalents		216	-554	1,826
Cash and cash equivalents		1,687	1,133	2,960

Note: Non-consolidated

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