

Develops skeletal muscle-derived cell therapy product for incontinent patients

This report is an English translation of part of the report issued on February 27, 2026.
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[504A Innovacell 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. 2024	-	-	-1,872	-	-2,391	-	-2,392	-	-89.4	-64.6	0.0
Dec. 2025	-	-	-2,231	-	-2,853	-	-2,855	-	-89.0	-79.0	0.0
Dec. 2026 f	1,000	-	-3,337	-	-3,461	-	-3,463	-	-81.5	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending December 2026 is the company's forecasts.

Develops and Commercializes Cell Therapy Products Globally to Treat Incontinence

The Innovacell group, comprising Innovacell and its subsidiary Innovacell GmbH in Austria, operates a "Regenerative Medicine Product Global Aggregation Model." This model is concentrated on cell therapy products using human cells, exploring and discovering drug discovery seeds worldwide, then developing and commercializing them on the global market. As the model's first phase, based on muscle repair and regeneration technology, Innovacell is developing cell therapy products targeting the incontinence field, advancing three pipeline candidates in the areas of fecal and urinary incontinence.

Innovacell GmbH, which was established in November 2000 as a spin-off from the Medical University of Innsbruck in Austria, is the origin of the group. Innovacell GmbH was established based on research achievements in the cultivation of skeletal muscle cells, the muscles responsible for body movement and posture control. It has advanced basic research on cell therapy products targeting incontinence and clinical development in Europe. Innovacell GmbH is the origin of the company's three development pipelines.

Innovacell GmbH conducted Phase II clinical trials in Europe for two development pipelines. However, due to a challenging fundraising environment in Europe, a Japanese company was established in January 2021 to raise funds and conduct clinical trials. The organization was restructured to make Innovacell GmbH a subsidiary.

In addition to group oversight functions, Innovacell handles constructing, expanding and managing R&D pipelines, conducting clinical trials in Japan and fundraising for the entire company. Innovacell GmbH leads R&D for the three pipelines and is also responsible for conducting clinical trials in Europe as well as manufacturing the cell therapy products necessary for these trials.

Financial Statements

Statement of income	Fiscal Year	Dec 2023		Dec. 2024		Dec. 2025	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Operating revenue		-	-	-	-	-	-
Operating expenses		1,861	-	1,872	-	2,231	-
Operating profit		-1,861	-	-1,872	-	-2,231	-
Non-operating income		229	-	217	-	278	-
Non-operating expenses		368	-	736	-	900	-
Ordinary profit		-2,000	-	-2,391	-	-2,853	-
Profit before income taxes		-2,000	-	-2,391	-	-2,853	-
Profit attributable to owners of parent		-2,002	-	-2,392	-	-2,855	-

Balance sheet	Fiscal Year	Dec 2023		Dec. 2024		Dec. 2025	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		1,899	79.0	2,316	81.7	4,496	88.3
Cash and deposits		1,096	45.6	1,961	69.2	4,101	80.5
Accounts receivable - trade		-	-	-	-	-	-
Inventories		43	1.8	37	1.3	38	0.7
Non-current assets		504	21.0	517	18.2	596	11.7
Property, plant and equipment		456	19.0	473	16.7	543	10.7
Intangible assets		16	0.7	13	0.5	20	0.4
Investments and other assets		31	1.3	29	1.0	31	0.6
Total assets		2,404	100.0	2,834	100.0	5,092	100.0
Current liabilities		727	30.2	511	18.0	432	8.5
Accounts payable - trade		-	-	-	-	-	-
Current portion of long-term borrowings		336	14.0	76	2.7	86	1.7
Non-current liabilities		3,413	142.0	4,278	151.0	5,290	103.9
Long-term borrowings		2,799	116.0	3,646	128.7	4,588	90.1
Net assets		-1,737	-	-1,956	-	-630	-
Owners' equity		-2,574	-	-1,957	-	-2,631	-

Statement of cash flows	Fiscal Year	Dec 2023	Dec. 2024	Dec. 2025
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		-1,407	-1,297	-1,995
Depreciation		53	54	63
Cash flows from investing activities		1,002	-11	-53
Cash flows from financing activities		510	2,142	4,089
Dividends paid		-	-	-
Net increase in cash and cash equivalents		108	864	2,140
Cash and cash equivalents		1,096	1,961	4,101

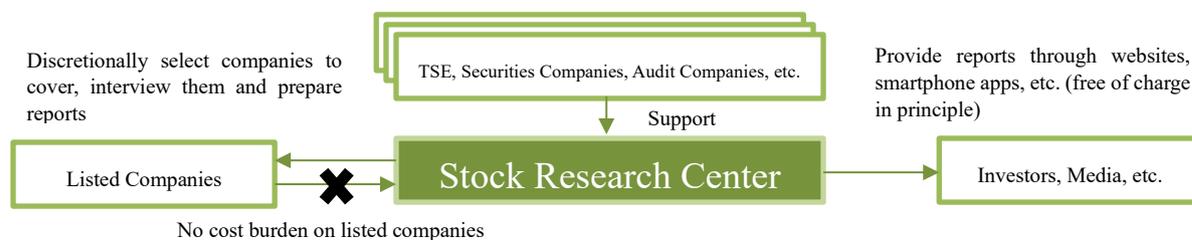
Note: Consolidated

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

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