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April 11, 2025

Non-consolidated Financial Results for the Six Months Ended February 28, 2025 [Japanese GAAP]

Company name: Chordia Therapeutics Inc.
 Listing: Tokyo Stock Exchange
 Security Code: 190A
 URL: [https:// www.chordiatherapeutics.com/en/](https://www.chordiatherapeutics.com/en/)
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 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted)

1. Non-consolidated financial results for the Six Months ended February 28, 2025 (from September 1, 2024 to February 28, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes)

	Business revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
February 28, 2025	-	-	-996	-	-975	-	-976	-
February 29, 2024	-	-	-809	-	-801	-	-802	-

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
February 28, 2025	-14.31	-
February 29, 2024	-14.22	-

Note: The diluted net income per share for the first half of the fiscal year ending August 2025 is not stated because, although there are potential shares, the Company recorded a net loss per share. The diluted net income per share for the first half of the fiscal year ending August 2024 is not stated because, although there are potential shares, the Company's shares were not listed and the average share price during the period could not be determined, and the Company recorded a net loss per share.

(2) Non-consolidated financial position

	Total assets	Business revenue	Equity Ratio
As of	Millions of yen	Millions of yen	%
February 28, 2025	3,451	3,246	94.0
August 31, 2024	4,632	4,161	89.8

Reference : Equity
 As of February 28, 2025 3,244 million yen
 As of August 31, 2024 4,158 million yen

2. Cash dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of the third quarter	Term end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended August 31, 2024	-	0.00	-	0.00	0.00
Fiscal year ending August 31, 2025	-	0.00			
Fiscal year ending August 31, 2025 (Forecast)			-	0.00	0.00

Note: Revision of dividend forecast from the latest announcement: None

3. Forecast of non-consolidated financial results for the fiscal year ending August 31, 2025 (from September 1, 2024 to August 31, 2025)

(Percentages indicate year-on-year changes)

	Business revenue		Operating income		Ordinary income		Net income		Per share Net income
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	-	-	-2,434	-	-2,378	-	-2,380	-	-35.17

Note: Revisions of financial results forecast from the latest announcement: None

(1) Application of special accounting methods for preparing interim financial statements: None

(2) Changes in accounting policies and changes or restatement of accounting estimates

- A) Changes in accounting policies due to revision of accounting standards: None
- B) Changes in accounting policies other than the above: None
- C) Changes in accounting estimates: None
- D) Restatement of revisions: None

(3) Number of shares outstanding (common shares)

- A) Number of shares outstanding at the end of the period (including treasury stock)
 - As of February 28, 2025 68,988,800 Shares
 - As of August 31, 2024 67,678,800 Shares
- B) Number of treasury stocks at the end of the period
 - As of February 28, 2025 - Shares
 - As of August 31, 2024 - Shares
- C) Average number of shares outstanding
 - Six months ended February 28, 2025 68,220,778 Shares
 - Six months ended February 29, 2024 56,443,800 Shares

* Interim financial results are exempt from review conducted by a certified public accountant or an auditing firm.

* Proper use of earning forecasts and other special matters

The forward-looking statements in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual results may differ from the above forecasts due to changes in business performance and other factors. Please refer to "1. Qualitative information regarding financial results for the six months ended February 28, 2025 (from September 1, 2024 to February 28, 2025), (3) Explanation of earnings forecasts and other forward-looking statements" on page 3 of the attached material for notes on these of financial results forecasts.

Attached Material

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1. Qualitative Information regarding financial result for the six months ended February 28, 2025

(1) Explanation of operating results for the current interim period

The Company aspires to build a world where people can feel hope for tomorrow under its slogan of “Building a World where Tomorrow is Another Day by delivering first-in-class anticancer drugs to patients as soon as possible. We are pursuing drug discovery research specializing in oncology, where there are high unmet medical needs with a focus on novel, small-molecular innovative drugs (first-in-class), which have a totally new mechanism of action. Since first-in-class drugs have a novel mechanism of action, they are expected to demonstrate a different clinical benefit compared to existing drugs and have the potential to drastically change the current standard of care. In particular, for many patients who are anxious about the progress of their current cancer and are not sufficiently satisfied with their treatment because of the lack of adequate efficacy of existing drugs, we have been promoting business with the goal of delivering the hope that they will be able to control the progression of their cancer.

During the current interim accounting period, the Japanese economy continued to maintain a moderate recovery trend accompanied by rising prices and interest rates, but the outlook remained uncertain due to political instability, as typified by the change of government in major developed countries, the continued conflict in Ukraine and the Middle East, and the uncertainty of the US trade policy. In the pharmaceutical and biotechnology industry, to which our company belongs, there is a tailwind in the form of government support for the creation of a drug discovery ecosystem aimed at improving drug discovery capabilities in Japan, but there are also concerns from major global pharmaceutical companies regarding the uncertainty of the drug price revision system.

During the second quarter of the fiscal year 2024, our research and development of five pipelines demonstrated steady progress, particularly CLK inhibitor CTX-712, international nonproprietary name rogocekib (“rogocekib”).

Regarding rogocekib, the ongoing Phase 1 part of Phase 1/2 clinical trial for hematologic malignancies in the U.S. is progressing well, with 4 additional patients enrolled during the quarter from the 25 patients enrolled as of November 30, 2024, for a total of 29 patients enrolled as of February 28, 2025. We are currently working on further trial progress. In January 2025, rogocekib received orphan drug designation from the U.S. Food and Drug Administration (FDA). This designation provides various supports such as exemption from the application fee at the time of approval, data protection for up to seven years after approval, and tax incentives. We recognize this as a step forward in our activities toward commercialization.

Based on the license agreement signed with Ono pharmaceuticals (“Ono”) in December 2020, Ono is steadily advancing clinical trials for CTX-177, a MALT1 inhibitor (“CTX-177”). It is currently conducting phase 1 clinical trials in the United States and Japan for patients with relapsed or refractory non-Hodgkin's lymphoma or chronic lymphocytic leukemia.

The CDK12 inhibitor CTX-439 (“CTX-439”), which is currently in the preclinical stage, has completed safety studies and manufacturing of the investigational drug substance in preparation for the start of clinical trials, and has received funding from AMED and other sources. In addition to promoting in-house research and development of CTX-439 and GCN2 inhibitors (“GCN2”), we are also proactively considering a wide range of possibilities, including early-stage partnering, in align with our current focus of research resources on rogocekib.

Regarding patents held by the Company, the substance patent for rogocekib is currently registered in 51 countries, the substance patent for CTX-177 was additionally registered in 4 countries and is currently registered in 15 countries, the substance patent for CTX-439 was additionally registered in 45 countries and is now registered in 49 countries. The substance patent for GCN2 was additionally registered in 20 countries and is now registered in 25 countries.

As a result of the above business activities, there were no business revenues for the six months ended February 28, 2025. Regarding business expenses, research and development expenses totaled 799 million yen, and selling, general and administrative expenses totaled 196 million yen.

As a result, operating loss for the period totaled 996 million yen, ordinary loss totaled 975 million yen, and loss totaled 976 million yen.

The company operates only one pharmaceutical business segment, and therefore there are no segment-based operating results to report.

(2) Explanation of financial position for the current interim period

1) Assets, liabilities and net assets

Assets

Assets at the end of the second quarter totaled 3,451 million yen, a decline of 1,180 million yen compared with the end of the previous fiscal year. Current assets totaled 3,426 million yen, a decline of 1,178 million yen compared with the end of previous fiscal year. The main factor was a decline of 1,053 million yen in cash and deposits. Non-current assets totaled 24 million yen, an decline of 2 million yen compared with the end of the previous fiscal year.

Liabilities

Liabilities at the end of the second quarter of the fiscal year totaled 204 million yen, a decline of 266 million yen compared with the end of the previous fiscal year. Current liabilities totaled 204 million yen, a decline of 266 million yen compared with the end of the previous fiscal year. The main factor was a decline of 265 million yen in accounts payable-other. There are no non-current liabilities.

Net assets

Net assets at the end of the second quarter totaled 3,246 million yen, a decline of 914 million yen compared with the end of the previous fiscal year. The main factor was retained earnings declined 976 million yen as a result of recording a net loss.

2) Status of cash flow

Cash and cash equivalents ("funds") at the end of the second quarter totaled 3,276 million yen, a decrease of 1,053 million yen from the end of the previous fiscal year. The cash flow status during the current interim period is as follows:

Cash flow from operating activities

Funds used in operating activities during the current interim period totaled 1,114 million yen (funds used in the same interim period of the previous year were 1,052 million yen). This was mainly due to the recording of a pre-tax interim net loss of 975 million yen and a decrease in accounts payable of 265 million yen.

Cash flow from investing activities

Funds used in investing activities during the current interim period totaled 0 million yen (funds used in the same interim period of the previous year were 0 million yen).

Cash flow from financing activities

Funds obtained from financing activities during the current interim period totaled 61 million yen (none in the same interim period of the previous year). This was due to income from the exercise of warrants totaled 61 million yen.

(3) Explanation of earnings forecasts and other forward-looking statements

There are no changes to the earnings forecasts announced on October 11, 2024 in the financial results for the fiscal year ending August 2024.

2. Interim Financial statement and significant notes thereto

(1) Balance sheet

(Thousands of yen)

	As of August 31, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and deposits	4,329,624	3,276,066
Advance payments	59,657	63,604
Prepaid expenses	38,155	33,531
Others	177,981	53,394
Total current assets	4,605,418	3,426,597
Non-Current assets		
Property, plant and equipment		
Tools, furniture and fixtures	11,213	11,880
Accumulated depreciation	-8,468	-9,237
Tools, furniture, and fixtures, net	2,744	2,642
Total property, plant and equipment	2,744	2,642
Intangible assets		
Software	620	166
Total intangible assets	620	166
Investments and other assets		
Long-term prepaid expenses	11,269	9,791
Others	12,316	12,316
Total investments and other assets	23,586	22,108
Total non-current assets	26,952	24,917
Total assets	4,632,370	3,451,515
Liabilities		
Current liabilities		
Accounts payable-other	382,428	117,141
Accrued expenses	2,295	-
Income taxes payable	54,290	27,145
Others	32,058	60,691
Total current liabilities	471,072	204,978
Total liabilities	471,072	204,978
Net assets		
Shareholders' equity		
Share capital	845,270	876,270
Capital surplus	9,034,871	9,065,871
Retained earnings	-5,721,780	-6,698,121
Total shareholders' equity	4,158,362	3,244,020
Stock acquisition right	2,935	2,515
Total net assets	4,161,297	3,246,536
Total liabilities and net assets	4,632,370	3,451,515

(2) Statement of income

(Thousands of yen)

	Ended February 29, 2024 (September 1, 2023 To February 29, 2024)	Ended February 28, 2025 (September 1, 2024 To February 28, 2025)
Business revenue	-	-
Cost of sales		
Research and development expense	671,110	799,754
Selling, general and administrative expenses	138,546	196,603
Total operating expenses	809,656	996,358
Operating profit or loss(-)	-809,656	-996,358
Non-operating income		
Grant income	11,363	23,090
Others	81	816
Total non-operating income	11,444	23,907
Non-operating expenses		
Foreign exchange losses	3,189	2,680
Total non-operating expenses	3,189	2,680
Ordinary loss (-)	-801,401	-975,131
Loss (-) before income taxes	-801,401	-975,131
Income taxes	1,210	1,210
Total income taxes	1,210	1,210
Net loss (-)	-802,611	-976,341

(3) Statement of cash flows

(Thousands of yen)

	Ended February 29, 2024 (September 1, 2023 To February 29, 2024)	Ended February 28, 2025 (September 1, 2024 To February 28, 2025)
Cash flows from operating activities		
Loss before income taxes	-801,401	-975,131
Depreciation and amortization	2,111	1,223
Grant income	-11,363	-23,090
Decrease (increase) in prepaid expenses	3,696	4,623
Increase (decrease) in advance payment – trade	20,253	-3,946
Increase (decrease) in long-term prepaid expenses	-829	1,478
Increase (decrease) in accounts payable – other	-115,391	-265,286
Increase (decrease) in provision for bonuses	-15,720	-
Others	-148,601	97,098
Subtotal	-1,067,245	-1,163,032
Proceeds from grant income	17,181	50,981
Income taxes paid	-2,420	-2,420
Cash flows from operating activities	-1,052,483	-1,114,470
Cash flows from investing activities		
Purchase of property, plant and equipment	-178	-667
Cash flows from investing activities	-178	-667
Cash flows from financing activities		
Proceeds from exercise of warrants	-	61,580
Cash flows from financing activities	-	61,580
Net increase (decrease) in cash and cash equivalents	-1,052,661	-1,053,557
Cash and cash equivalents at beginning of period	4,779,035	4,329,624
Cash and cash equivalents at end of period	3,746,373	3,276,066

(4) Notes to interim financial statements

Notes on premise of going concern

Not applicable.

Notes on the substantial changes in the amount of shareholders' equity

Not applicable.

Notes on the segment information

For the six months ended February 29, 2024 (September 1, 2023 to February 29, 2024)

Disclosure of this information is omitted because the Company operates a single segment of pharmaceutical business.

For the six months ended February 28, 2025 (September 1, 2024 to February 28, 2025)

Disclosure of this information is omitted because the Company operates a single segment of pharmaceutical business.