

**DISCLAIMER:**

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## Non-consolidated Financial Results for the Twelve Months Ended October 31, 2025 (Under Japanese GAAP)



December 11, 2025

Company name: Heartseed Inc.  
 Listing: Tokyo Stock Exchange  
 Securities code: 219A  
 URL: <https://heartseed.jp/>  
 Representative: Keiichi Fukuda, MD/PhD/FACC, CEO, Representative Director of the Board  
 Inquiries: Mutsuki Takano, CFO, Director of the Board  
 Telephone: +81-3-6665-8068  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes, for institutional investors & analysts

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

### 1. Non-consolidated financial results for the twelve months ended October 31, 2025 (from November 1, 2024 to October 31, 2025)

#### (1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Twelve months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
October 31, 2025	3,026	-	726	-	691	-	592	-
October 31, 2024	873	153.4	(1,038)	-	(818)	-	(812)	-

	Basic earnings per share	Diluted earnings per share
Twelvemonths ended	Yen	Yen
October 31, 2025	26.28	25.71
October 31, 2024	(49.43)	-

Note:

- At the 9th General Meeting of Shareholders held on January 24, 2025, the Company resolved to change its fiscal year to run from January 1 to December 31 each year. As this fiscal year is a transitional period for the change in the fiscal year-end, it covers 14 months from November 1, 2024, to December 31, 2025. Therefore, the year-on-year changes in percentage for the twelve months ended October 31, 2025 is not presented.
- For the fiscal year ended October 31, 2024, only the full-year figures are presented.
- Diluted earnings per share for the twelve months ended October 31, 2024 is not stated in the above table, since basic earnings per share was negative.

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
October 31, 2025	8,139	7,567	92.9
October 31, 2024	7,067	6,623	93.5

Reference: Shareholders' Equity

As of October 31, 2025: ¥7,562 million

As of October 31, 2024: ¥6,610 million

### 2. Cash dividends

	Annual dividends per share					
	First quarter-end	Second quarter-end	Third quarter-end	Fourth quarter-end	Fiscal year-end	Total

	Yen	Yen	Yen	Yen	Yen	Yen
Fiscal year ended October 31, 2024	-	-	-	-	0.00	0.00
Fiscal year ending December 31, 2025	-	-	-	-		
Fiscal year ending December 31, 2025 (Forecast)					0.00	0.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2025	3,027	-	311	-	328	-	229	-	10.04

Note: Revisions to the earnings forecasts most recently announced: Yes  
The percentage change compared to the previous period has been omitted, since the current fiscal year is an irregular 14-month period due to the changes in the fiscal year-end.

\* **Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of October 31, 2025	22,811,000 shares
As of October 31, 2024	22,225,400 shares

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

As of October 31, 2025	- shares
As of October 31, 2024	- shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Twelve months ended October 31, 2025	22,545,533 shares
Twelve months ended October 31, 2024	16,440,735 shares

\* These quarterly financial result reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

(Cautionary notice on forward-looking information)

The financial results forecasts and other forward-looking information contained in this document are based on the information currently available to the Company and certain assumptions considered reasonable by the Company. It is not a guarantee that the forecasts will be achieved, and actual results may differ significantly from such forecasts depending on various factors. For more information on the financial results forecast, please refer to page 3 of the Attachment, “1. Qualitative Information on Quarterly Financial Results for the Period under Review: (3) Explanation of Financial Results Forecast and Other Forward-looking Information.”

Attachments: Table of Contents

- 1. Qualitative Information on Quarterly Financial Results for the Period under Review..... 2
  - (1) Explanation of Business Results ..... 2
  - (2) Explanation of Financial Position ..... 2
  - (3) Explanation of Financial Results Forecast and Other Forward-looking Information ..... 3
- 2. Quarterly Financial Statements and Primary Notes..... 4
  - (1) Quarterly Balance Sheets..... 4
  - (2) Quarterly Statements of Income..... 5
    - (For the twelvemonths ended October 31)
  - (3) Notes to the Quarterly Financial Statements..... 6
    - (Notes on the segment information) ..... 6
    - (Notes in the event of significant changes in shareholders' equity) ..... 6
    - (Notes on going concern assumptions) ..... 6
    - (Notes on the statement of quarterly cash flows) ..... 6

## 1. Qualitative Information on Quarterly Financial Results for the Period under Review

Due to a change in our fiscal year-end, the current fiscal year is an irregular 14-month period. Therefore, the Company have not provided a comparison with the same period of the previous year regarding business results in this document.

### (1) Explanation of Business Results

During the first twelve months of the current fiscal year (November 1, 2024 to October 31, 2025), the Japanese economy showed signs of gradual improvement due to strong inbound demand and enhancement in the employment and income environment. However, there are some uncertainties with the domestic economy due to factors such as fluctuations in financial and capital markets, as well as the U.S. policy trend and unstable international conditions.

In the Japanese regenerative medicine industry, the revised Pharmaceutical Affairs Law enacted in 2014 introduced a “conditional and time-limited approval system” for regenerative medical products. Moreover, the “Sakigake designation system” was also enacted in 2019 to shorten the approval review period and provide priority support for prior consultation with the authorities. Thus, in Japan there are systems in place that allow for the rapid commercialization of superior regenerative medical products.

In terms of the overview of the business during the twelve months ended October 31, 2025, the Company continued lead pipeline development, the treatment program (HS-001) for heart failure patients with ischemic heart disease by administration of allogeneic iPS cell-derived cardiomyocyte spheroids in conjunction with open heart surgery. In the ongoing Phase I/II clinical trial (LAPiS study) combined with coronary artery bypass graft surgery, the follow-up observation of the 10 enrolled patients (5 patients in the low-dose cohort and 5 patients in the high-dose cohort), for whom final patient dosing was completed in the first quarter, continued during this fourth quarter accounting period.

Regarding the development of catheter-based administration therapeutic program (HS-005) that is less invasive for patients, a Clinical Trial Notification (CTN) has been submitted to the Pharmaceuticals and Medical Devices Agency (PMDA) for the commencement of clinical trials in Japan. The selection of clinical sites and other preparations are proceeding steadily toward the goal of initiating the clinical trial in 2026. Furthermore, the collaboration and partnership with Japan Lifeline Co., Ltd. regarding the delivery catheter system is also progressing smoothly as planned.

Meanwhile, the Company received a notice from its former business partner, Novo Nordisk A/S, on September 29, 2025, regarding the termination of the exclusive technical collaboration and license agreement. The reason cited was the Novo Nordisk A/S's focus on its core business areas and a strategic review of other fields. As a result of this notice, the rights related to development, manufacturing, and sales, as well as intellectual property rights, etc., that had been out-licensed will be returned to the Company. Consequently, the Company will retain the worldwide rights for both HS-001 and HS-005.

As a result, the Company reported net sales of 3,026,500 thousand yen, operating profit of 726,442 thousand yen, ordinary profit of 691,150 thousand yen, and profit of 592,496 thousand yen in the twelve months ended October 31, 2025.

As the Company has only one segment, the pharmaceutical business, the description of business results by segment is omitted.

### (2) Explanation of Financial Position

#### 1) Assets, Liabilities and Equity

##### (Assets)

Total assets at the end of the twelve months ended October 31, 2025 increased by 1,071,629 thousand yen from the end of the previous fiscal year to 8,139,223 thousand yen. Current assets increased by 1,195,079 thousand yen to 7,598,894 thousand yen. This is mainly due to a 2,042,893 thousand yen increase in cash and deposits resulting from the collection of accounts receivable and execution of the stock option rights. Non-current assets decreased by 123,450 thousand yen to 540,329 thousand yen. This is mainly due to a 107,239 thousand yen decrease in investments and other assets by deposit collection.

##### (Liabilities)

Total liabilities at the end of the twelve months ended October 31, 2025 increased by 127,011 thousand yen from the end of the previous fiscal year to 571,355 thousand yen. Current liabilities increased by 129,088 thousand yen to 411,162 thousand yen. This is mainly due to a 90,647 thousand yen increase in income taxes payable as well as a 32,619 thousand yen increase in advance received due to such as subsidies received from the Japan Agency for Medical Research and Development (AMED). Non-current liabilities decreased by 2,077

thousand yen to 160,192 thousand yen. This is mainly due to a 3,206 thousand yen decrease in reversal of deferred tax liabilities as well as a 1,884 increase in assets retirement obligation.

(Net Assets)

Total net assets at the end of the twelve months ended October 31, 2025 increased by 944,618 thousand yen from the end of the previous fiscal year to 7,567,868 thousand yen. This is mainly due to a 592,496 thousand yen increase in retained earnings as well as a 179,625 thousand yen increase in share capital and capital surplus by execution of the stock option rights, respectively.

(3) Explanation of Financial Results Forecast and Other Forward-looking Information

The earnings forecast for the fiscal year ending December 31, 2025 is as announced on December 11, 2025 in the “Notice Regarding the Revisions of Full-Year Financial Results Forecast for the Fiscal Year Ending December 31, 2025”.

## 2. Quarterly Financial Statements and Primary Notes

### (1) Quarterly Balance Sheet

(Thousands of yen)

	As of October 31, 2024	As of October 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	5,297,166	7,340,059
Accounts receivable - trade	768,250	-
Supplies	86,336	25,068
Advance payments to suppliers	42,571	31,263
Prepaid expenses	40,656	45,790
Accounts receivable - other	30,060	4,843
Consumption taxes refund receivable	138,774	151,867
Total current assets	6,403,814	7,598,894
Non-current assets		
Property, plant and equipment	455,707	439,496
Investments and other assets	208,072	100,833
Total non-current assets	663,779	540,329
Total assets	7,067,594	8,139,223
<b>Liabilities</b>		
Current liabilities		
Lease liabilities	4,638	890
Accounts payable - other	80,828	104,346
Accrued expenses	37,439	29,227
Income taxes payable	54,258	144,905
Advances received	77,989	110,608
Deposits received	18,916	21,183
Asset retirement obligations	8,003	-
Total current liabilities	282,074	411,162
Non-current liabilities		
Lease liabilities	755	-
Asset retirement obligations	158,308	160,192
Deferred tax liabilities	3,206	-
Total non-current liabilities	162,269	160,192
Total liabilities	444,344	571,355
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,133,314	1,312,940
Capital surplus	8,247,266	8,426,891
Retained earnings	(2,769,747)	(2,177,251)
Total shareholders' equity	6,610,833	7,562,580
Share acquisition rights	12,416	5,287
Total net assets	6,623,249	7,567,868
Total liabilities and net assets	7,067,594	8,139,223

(2) Quarterly Statement of Income  
(For the twelve months ended October 31)

(Thousands of yen)

	Twelve months ended October 31, 2025
Net sales	3,026,500
Cost of sales	-
Gross profit	3,026,500
Selling, general and administrative expenses	2,300,057
Operating profit (loss)	726,442
Non-operating income	
Interest income	5,919
Miscellaneous income	467
Total non-operating income	6,386
Non-operating expenses	
Interest expenses	156
Foreign exchange losses	41,522
Total non-operating expenses	41,679
Ordinary profit (loss)	691,150
Profit (loss) before income taxes	691,150
Income taxes - current	101,860
Income taxes - deferred	(3,206)
Total income taxes	98,653
Profit (loss)	592,496



(3) Notes to the Quarterly Financial Statements

(Notes on segment information)

As the Company has only one segment, the pharmaceutical business, the description by segment is omitted.

(Notes in the event of significant changes in shareholders' equity)

The Company's share capital and capital surplus increased by 179,625 thousand yen each due to the execution of stock option rights. As a result, the Company's share capital and capital surplus amounted to 1,312,940 thousand yen and 8,426,891 thousand yen, respectively, at the end of the fourth quarter of the current fiscal year.

(Notes on going concern assumptions)

Not applicable

(Notes on the statement of quarterly cash flows)

The quarterly cashflow statements for the twelve months ended October 31, 2025 were not prepared. Depreciation and amortization (including amortization for intangible assets) for the twelve months ended October 31, 2025 are as below:

(Thousands of yen)

	FY2025 (From November 1, 2024 to October31, 2025)
Depreciation and amortization	44,530