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## Non-consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2026 (Under Japanese GAAP)

August 6, 2025

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 Stock exchange listings: Tokyo Stock Exchange  
 Stock code: 4890  
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 Scheduled date for dividend payment: None  
 Supplementary materials for financial summaries: None  
 Financial results briefing: None

(Amounts of less than one million yen are rounded down.)

### 1. Non-consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2026 (from April 01, 2025 to June 30, 2025)

#### (1) Operating results (Cumulative)

(Percentage indicate YoY changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2025	24	(2.6)	(217)	-	(202)	-	(202)	-
June 30, 2024	25	3.1	(174)	-	(174)	-	(174)	-
	Basic earnings per share		Diluted earnings per share					
	Yen		Yen					
Three months ended June 30, 2025	(7.79)		-					
June 30, 2024	(6.83)		-					

(Note) Although there are potential shares for diluted earnings per share, it is not stated because there is a quarterly net loss per share.

#### (2) Financial positions

	Total assets	Equity	Equity to total assets ratio
As of	Million yen	Million yen	%
June 30, 2025	2,016	1,388	68.9
March 31, 2025	2,503	1,587	63.4

(Reference) Owner's equity As of the first quarter of the fiscal year ending March 2026: 1,388 million yen As of the fiscal year ended March 2025: 1,587 million yen

### 2. Cash dividends

	Annual dividends per share				
	End of first quarter	End of second quarter	At the end of the third quarter	Fiscal year-end	Total
Fiscal year ended March 31, 2025	Yen -	Yen 0.00	Yen -	Yen 0.00	Yen 0.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		0.00	-	0.00	0.00

(Note) Presence or absence of revisions from the most recently announced dividend forecast: None

### 3. Non-consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026 (from April 01, 2025 to March 31, 2026)

(Percentages indicate YoY changes)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending March 31, 2026	1,400	3.2	200	(15.1)	220	(21.9)	150	(27.1)	5.85

(Note) Correction of financial forecast from the most recent financial forecast: None

#### \* Notes

(1) Application of accounting procedures specific to the preparation of quarterly financial statements : Yes

(2) Changes in accounting policies, Changes in accounting estimates, Retrospective restatement

(i) Changes in accounting policies based on revisions of accounting standard : None

(ii) Changes in accounting policies other than (i) above : None

(iii) Changes in accounting estimates : None

(iv) Retrospective restatement : None

(3) Number of shares issued (common stock)

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

As of June 30, 2025	25,654,300 shares
As of March 31, 2025	25,639,300 shares

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

As of June 30, 2025	- shares
As of March 31, 2025	- shares

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

Three months ended June 30, 2025	25,654,135 shares
Three months ended June 30, 2024	25,577,500 shares

\* Review by certified public accountants or audit corporations of the attached quarterly financial statements: None

\* Notes on the appropriate use of forecasts and other special items

(Cautionary Statement Regarding Forward-Looking Statements) The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable. They are not intended as a guarantee of achievement. Actual results may differ significantly due to various factors.

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## 1. Qualitative information regarding the quarterly financial results

### (1) Explanation of operating results

During the three months ended June 30, 2025, the Japanese economy continued its moderate recovery, supported by sustained wage increases by companies and expanding inbound demand. On the other hand, the economic environment remains uncertain due to ongoing international geopolitical risks such as the situations in the Middle East and Ukraine, exchange rate fluctuations, and U.S. trade policies. However, our company has viewed these changes as growth opportunities and has promoted our business flexibly and strategically.

As an advanced R&D company originating from Keio University School of Medicine, under the purpose of "Making the future delightful through visionary innovation," we are accelerating the creation and commercialization of innovative, scientifically-based solutions in areas with high unmet medical needs such as myopia, dry eye, presbyopia, and brain diseases, aiming to achieve sustainable enhancement of corporate value.

In research and development, we focused on basic research aimed at creating new intellectual property and expanding our pipeline, while also strengthening our collaborative research and development framework with domestic and international partners.

In the field of myopia, the ophthalmic solution "TLM-003," developed under a long-term development agreement with Rohto Pharmaceutical Co., Ltd., confirmed its safety in a Phase I clinical trial, and a Phase II clinical trial has commenced. Preparations for clinical trials overseas are also steadily progressing. TLM-007, which is based on a novel pharmacological mechanism, completed a specified clinical study and its safety was confirmed; however, we have decided to focus our development resources on the next promising project.

Regarding the ophthalmic ointment "TLM-001" targeting meibomian gland dysfunction in the field of dry eye, Maruho Co., Ltd. has completed a Phase I clinical trial and has advanced to the preparation stage for a Phase II clinical trial.

In the medical device field, we are continuing clinical research on the menstrual irregularity treatment device "TLG-021," which utilizes violet light technology, aiming to establish a new therapeutic approach through circadian rhythm adjustment. Preparations are also underway for a specified clinical trial of the medical device "TLG-020" for retinitis pigmentosa. In addition, research aimed at improving cognitive function in elderly dogs is progressing with public support, expanding the potential for development in the animal healthcare field.

In business development, concrete progress is being made in out-licensing negotiations with multiple domestic and international companies for several pipelines, including the medical device "TLG-005," which applies violet light technology in the field of neurological diseases. For the myopia progression suppression device "TLG-001," global license negotiations with several overseas business companies are also ongoing, with a view toward the European and US markets. In addition, discussions are underway with potential international partners regarding new pharmaceutical pipelines "TLM-017" and "TLM-023."

In terms of international expansion, we became the first Japanese company to open an office in "Eye Valley" in Wenzhou, Zhejiang Province, and following the appointment of our representative, Kazuo Tsubota, as a visiting professor at Wenzhou Medical University Ophthalmology, we will open a US office near Seattle, Washington in May 2025, preparing for a full-scale entry into the US market. In addition, as part of expanding our business portfolio by leveraging our strengths, we have obtained a license for the manufacture and sale of cosmetics, establishing a foundation for creating new Net sales opportunities.

As a result of these initiatives, our business during the three months ended May 20, 2024 progressed steadily in line with initial expectations, and the foundation for further sustainable growth and enhancement of corporate value has been strengthened.

As the Company operates a single segment in the research and development business, segment information is not presented.

(Unit: Thousands of yen)

	Net sales	Operating loss (-)	Ordinary loss (-)	Quarterly net loss (-)	Quarterly net loss per share (-)
For the three months ended	24,853	(217,606)	(202,100)	(202,337)	(7.79 yen )
For the three months ended [previous period]	25,513	(174,385)	(174,041)	(174,728)	(6.83 yen)
increase/decrease	(660)	(43,221)	(28,058)	(27,608)	(0.96 yen)

## (2) Explanation regarding financial positions

### (Financial Position)

	Previous fiscal year	As of the end of the first quarter	increase/decrease
Total assets (thousand yen)	2,503,123	2,016,213	(486,909)
Total liabilities (thousand yen)	915,850	627,878	(287,971)
Total net assets (thousand yen)	1,587,272	1,388,334	(198,937)
Equity to total assets ratio (%)	63.4	68.9	5.5
Net assets per share (Yen)	61.91	54.12	(7.79)

#### ( Current assets)

The balance of current assets at the end of the first quarter was 1,963,118 thousand yen, a decrease of 482,189 thousand yen compared to the end of the previous fiscal year. This was mainly due to an increase in prepaid expenses by 112,873 thousand yen and an increase in consumption tax receivable by 14,422 thousand yen, while ordinary deposits decreased by 66,109 thousand yen and accounts receivable - trade decreased by 544,087 thousand yen.

#### ( Non-current assets)

The balance of Non-current assets at the end of the first quarter was 53,095 thousand yen, a decrease of 4,719 thousand yen compared to the end of the previous fiscal year. This was mainly due to a decrease of 4,593 thousand yen in Tools, furniture and fixtures and a decrease of 481 thousand yen in Patent right.

#### ( Current liabilities)

The balance of current liabilities at the end of the first quarter was 562,234 thousand yen, a decrease of 284,401 thousand yen compared to the end of the previous fiscal year. This was mainly due to an increase of 2,149 thousand yen in accrued taxes, and decreases of 119,855 thousand yen in accounts payable - trade, 13,147 thousand yen in accrued expenses, 85,884 thousand yen in income taxes payable, 4,223 thousand yen in deposits received, 22,183 thousand yen in contract liabilities, and 40,808 thousand yen in provisions for contract losses.

#### ( Non-current liabilities)

The balance of Non-current liabilities at the end of the first quarter was 65,644 thousand yen, a decrease of 3,570 thousand yen compared to the end of the previous fiscal year. This was due to a decrease of 3,570 thousand yen in Long-term borrowings.

#### ( Net assets)

At the end of the first quarter, total net assets amounted to 1,338,334 thousand yen, a decrease of 198,937 thousand yen compared to the end of the previous fiscal year. This was due to the recording of a quarterly net loss of 202,337 thousand yen.

## (3) Explanation regarding forecasts and other forward-looking statements

The results for the first quarter cumulative period are generally progressing as initially planned. As of now, there are no changes to the full-year forecasts announced on May 12, 2025.

## 2. Quarterly Financial Statements and Main Notes

### (1) Quarterly Balance Sheet

(Unit: Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposit	1,538,853	1,473,103
Accounts receivable - trade	545,979	1,891
Work in process	285,500	285,500
Consumption taxes refund receivable	62,187	76,610
Prepaid expenses	6,653	119,527
Other	6,134	6,485
Total current asset	2,445,308	1,963,118
Non-current assets		
Property, plant, and equipment		
Buildings and structures	3,410	3,410
Accumulated depreciation	(152)	(209)
Buildings and structures, net	3,257	3,200
Tools, furniture and fixtures	143,476	144,713
Accumulated depreciation	(102,756)	(107,350)
Tools, furniture and fixtures, net	40,719	37,362
Total property, plant and equipment, net	43,977	40,563
Intangible assets		
Patent right	6,831	6,350
Total intangible assets	6,831	6,350
Investment Other assets		
Long-term prepaid expenses	3,107	2,970
Other	3,898	3,210
Total investment and other assets	7,005	6,181
Total non-current assets	57,814	53,095
Total assets	2,503,123	2,016,213

(Unit: Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Trade payables	135,663	15,808
Current portion of long-term borrowings	21,166	19,616
Accounts payable	72,493	59,346
Income taxes payable	86,122	237
Contract liabilities	315,498	293,315
Contract loss provisions	206,392	165,584
Other	9,299	8,326
Total current liabilities	846,636	562,234
Non-current liabilities		
Long-term borrowings	69,214	65,644
Total non-current liabilities	69,214	65,644
Total liabilities	915,850	627,878
Net assets		
Shareholders' equity		
Share capital	825,197	826,897
Capital surplus		
Legal capital surplus	809,197	810,897
Total capital surplus	809,197	810,897
Retained earnings		
Other retained earnings	(47,121)	(249,459)
Retained earnings brought forward	(47,121)	(249,459)
Total retained earnings	(47,121)	(249,459)
Total shareholders' equity	1,587,272	1,388,334
Total net assets	1,587,272	1,388,334
Total liabilities and net assets	2,503,123	2,016,213

## (2) Quarterly Statement of Income

For the three months ended

(Unit: Thousands of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	25,513	24,853
Cost of sales	800	12,826
Gross profit	24,713	12,026
Selling, general and administrative expenses	199,098	229,633
Operating loss (-)	(174,385)	(217,606)
Non-operating income		
Subsidy income	79	15,339
Recoveries of written off receivables	396	396
Other	189	316
Total non-operating income	664	16,051
Non-operating expenses		
Interest expense	296	193
Foreign exchange losses	24	351
Total non-operating expenses	320	545
Ordinary loss (-)	(174,041)	(202,100)
Extraordinary losses		
Loss on sale of non-current assets	449	-
Total extraordinary losses	449	-
Quarterly loss before income taxes (-)	(174,491)	(202,100)
Income taxes	237	237
Quarterly net loss (-)	(174,728)	(202,337)



### (3) Notes to the quarterly financial statements

(Notes regarding the assumption of a going concern)

There are no applicable matters.

(Notes in case of significant changes in the amount of shareholders' equity)

There are no applicable items.

(Application of specific accounting treatments for the preparation of quarterly financial statements)

Calculation of tax expenses

With regard to income tax expenses, the effective tax rate after applying tax effect accounting to the pre-tax profit for the fiscal year including the first quarter is reasonably estimated, and the estimated effective tax rate is applied to the pre-tax profit to calculate the tax expenses.

However, if calculating tax expenses using the estimated effective tax rate results in a significantly unreasonable outcome, the statutory effective tax rate is applied to the quarterly profit before income taxes after adjusting for significant differences that do not correspond to temporary differences.

(Changes in accounting policies)

There are no applicable items.

(Changes in accounting estimates)

There are no applicable matters.

(Segment Information, etc.)

As the Company operates a single segment in the research and development business and its significance is immaterial, segment information has been omitted.

(Notes to the Statement of Cash Flows)

The quarterly Statement of Cash Flows for the three months ended is not prepared. Depreciation for the three months ended (including amortization of intangible assets) is as follows.

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	4,894 thousand yen	5,132 thousand yen

(Significant Subsequent Events)

There are no applicable matters.

(Notes on the financial reporting framework applied to the quarterly financial statements)

Our quarterly financial statements are prepared in accordance with Article 4, Paragraph 1 of the "Regulations for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc." and the accounting standards for quarterly financial statements generally accepted as fair and appropriate in Japan (however, certain disclosures stipulated in Article 4, Paragraph 2 of the Regulations for Preparation of Quarterly Financial Statements, etc. have been omitted).