

Financial Results for the Second Quarter (Interim Period) of the Fiscal Year Ending December 31, 2026

Tokyo Stock Exchange Growth Code:7776



Table of Contents

- Corporate Profile
- Financial Summary for the Second Quarter (Interim Period) of the Fiscal Year Ending December 2026
- Progress of Each Business
 - Cell sheet regenerative medicine business
 - Regenerative medicine support business
 - Regenerative medicine contract manufacturing service business
 - Cell cultureware business
- Events and Academic Conferences



Business Sites

Established May, 2001
Core competence Cell Sheet Engineering based on Temperature Responsive Polymers
Listed Tokyo Stock Exchange Growth (7776)

Head Office

15F (East Wing) Telecom Center Building
2-5-10, Aomi, Koto-ku, Tokyo

Cell Processing Center

Telecom Center Building 6F

Total Floor Area 763 m²

**Permit to manufacture specified cell products
(Facility No. FA3160008)**

**Manufacturing License for regenerative medicine products
(Manufacturing license No. 13FZ110001)**

Aomi Cell Cultureware Innovation Center

(R&D, Manufacturing)

Time 24 Building, 4-32,
Aomi 2-chome, Koto-ku, Tokyo

(ISO9001 certification acquired)

Telecom Center



Time 24





MISSION & VISION - CellSeed celebrates Its 25th Anniversary -

Marking our 25th anniversary, CellSeed introduces a new Mission & Vision to further drive the global expansion and advancement of regenerative medicine



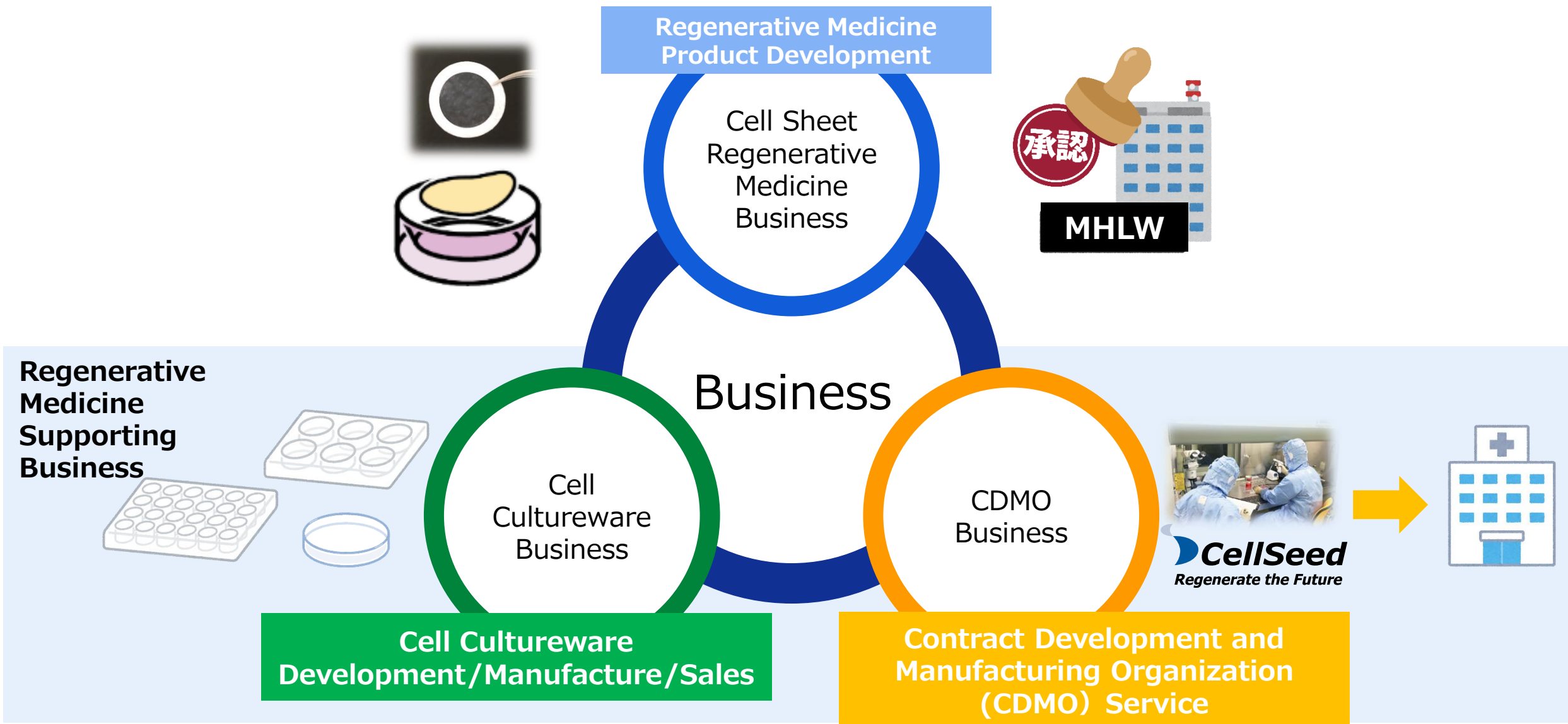
MISSION

Delivering smiles
and hope to the
world through the
power of cells



VISION

We create a new era of
regenerative medicine
based on cell sheet
engineering



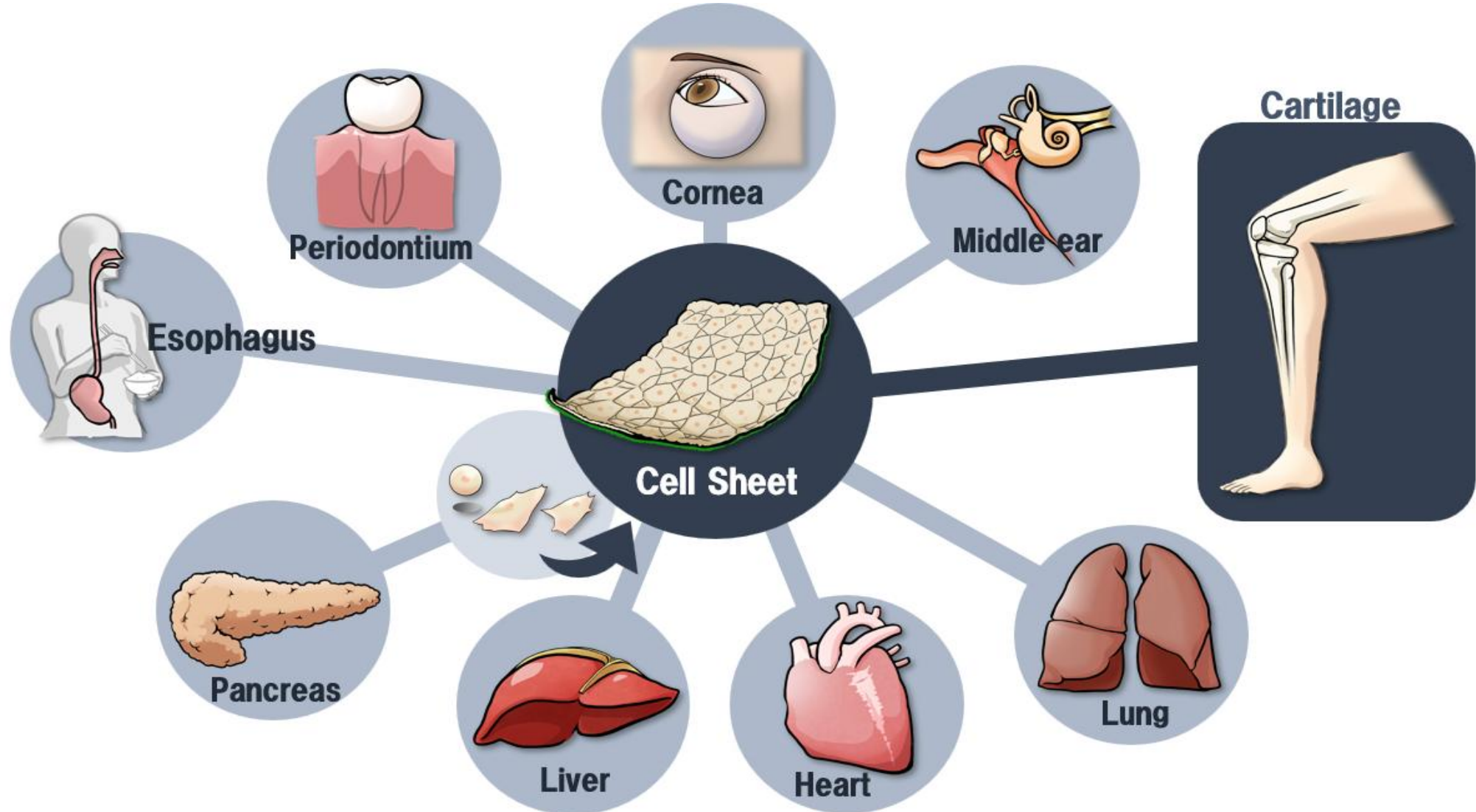




Table of Contents

- ④ Corporate Profile
- ④ Financial Summary for the Second Quarter (Interim Period) of the Fiscal Year Ending December 2026
- ④ Progress of Each Business
 - Cell sheet regenerative medicine business
 - Regenerative medicine support business
 - Regenerative medicine contract manufacturing service business
 - Cell cultureware business
- ④ Events and Academic Conferences



Profit and Loss Statement 【Q2 (interim) FY 12/2026】

[million yen]	Interim Period (January - June 2026)			Previous interim period (January to June 2025)
	Amount	Change vs Previous Period	Period-on-Period Change (%)	Amount
Sales	20	(16)	(43.7)	36
Operating income	(570)	52	—	(623)
Ordinary income	(576)	47	—	(623)
Net income	(610)	40	—	(651)



Short-term Outlook

As R&D activities progress, R&D expense are expected to increase ahead of revenues, and operating losses are, therefore, expected to expand in the near term.

Capital expenditure

R&D expenses for allogeneic cartilage cell sheets

New collaborative research pipelines

Cash balance at the End of Q2 FY2026 (Interim Period)

Cash & deposits	1,792,266 thousand yen
-----------------	------------------------

Status of exercise of the 25th stock acquisition rights (January - June 2026)

Total exercise price	1,112,781 thousand yen
Number of exercised share acquisition rights	37,615 (Number of unexercised share acquisition rights: 39,472)

We have secured sufficient working capital and investment funds for the near term, and does not expect any issues with cash management.



Stock Options for Directors and Employees

Issued stock acquisition rights to directors and employees, pursuant to the Board resolution on April 14, 2026

■ The 26th Stock Acquisition Right (Gratuitous Stock Option)

Staff eligible for this stock acquisition right, the number of eligible staff members, and the number of rights to be allocated	6 Directors (450 units)
	38 Employees (1,932 units)
Total number of stock acquisition rights	2,382 Units
Class and Number of shares subject to this stock acquisition rights	238,200 Common Shares
Value of property to be contributed upon exercise of stock acquisition rights	24,700 yen per stock acquisition right (247 yen per share)

Purpose of Issuance: To further enhance motivation to contribute to business performance, foster a unified corporate culture, and ultimately increase corporate value



Highlights

- ④ Cell sheet regenerative medicine business
 - The Phase III clinical trial of allogeneic cartilage cell sheets is progressing as planned at designated clinical trial centers
 - Hosted DEJIMA Seminar at The 8th Asian Pacific Knee Osteotomy Symposium (APKOS)
 - Aired commercial ads between presentation sessions at the first Annual Meeting of the Japan Osteotomy Society
 - Delivered a poster presentation at the 25th Congress of JSRM (Japanese Society for Regenerative Medicine) and displayed corporate advertisements at the nearest station to commemorate CellSeed's 25th anniversary
- ④ Regenerative medicine contract manufacturing service business
 - Actively promoted CellSeed's CDMO business activities to event attendees at "Regenerative Medicine EXPO 2026" at Makuhari Messe
 - Updated the official website for our regenerative medicine CDMO service
- ④ Cell cultureware business
 - Actively promoted CellSeed's products at "Regenerative Medicine EXPO Tokyo 2026" and prepared for our exhibition and research presentation at ISSCR 2026 to expand sales globally and accelerate business recovery



Table of Contents

- ④ Corporate Profile
- ④ Financial Summary for the Second Quarter (Interim Period) of the Fiscal Year Ending December 2026
- ④ Progress of Each Business
 - Cell sheet regenerative medicine business
 - Regenerative medicine support business
 - Regenerative medicine contract manufacturing service business
 - Cell cultureware business
- ④ Events and Academic Conferences

Autologous

Patient-Derived Cells

- Somatic cells
- Mesenchymal stem cells
- iPS cells



Cell Harvesting

Administration /
Transplantation

Benefits

- No immune rejection

Limitations

- Because cells must be harvested and cultured after the therapy decision is made, it takes time for administration/transplantation

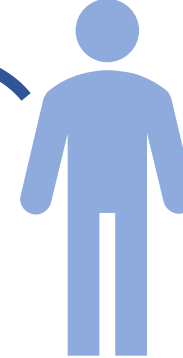
Allogeneic

Donor-Derived Cells

- Somatic cells
- Mesenchymal stem cells
- iPS cells



Cell Harvesting



Donor

Administration /
Transplantation

Benefits

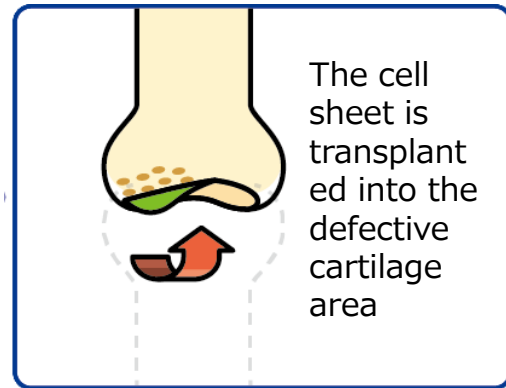
- No need for cell harvesting from patients
- Cells can be stored, and pre-cultured products can be prepared in advance

Limitations

- Risk of immune rejection

Administration methods for regenerative medical products

- ④ Direct administration (transplantation) to the target site through surgery or endoscopy



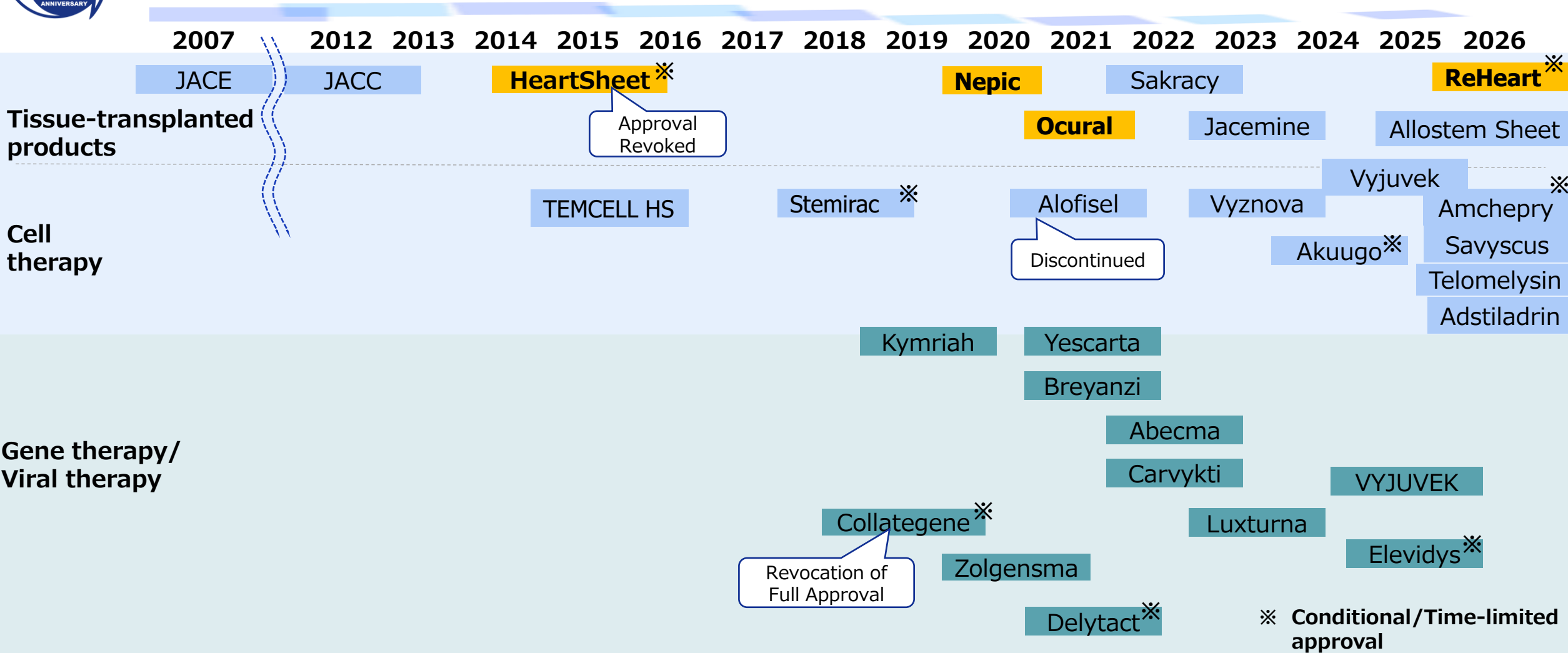
Allogeneic Chondrocyte Sheet

- ④ Administration via injection or infusion





Regenerative Medicines Approved in Japan



As of May 2026, 29 products have been approved,
of which 4 products utilizing cell sheet engineering

Knee osteoarthritis (OA)

- Slowly progressive, Intractable Articular Cartilage Degeneration
- No curative treatment available

Primary causes of requiring assistance

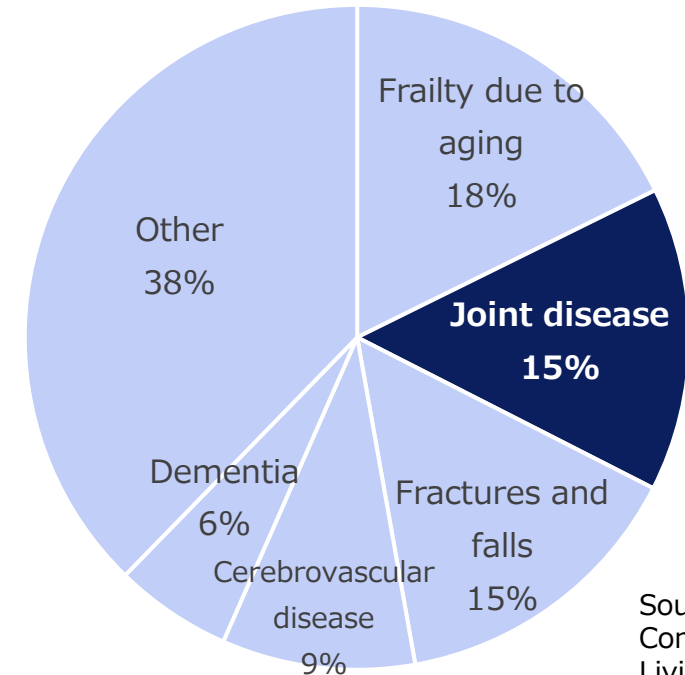


Potential patients
population: 30 million
(in Japan)



Symptomatic patients
population: 10 million
(in Japan)

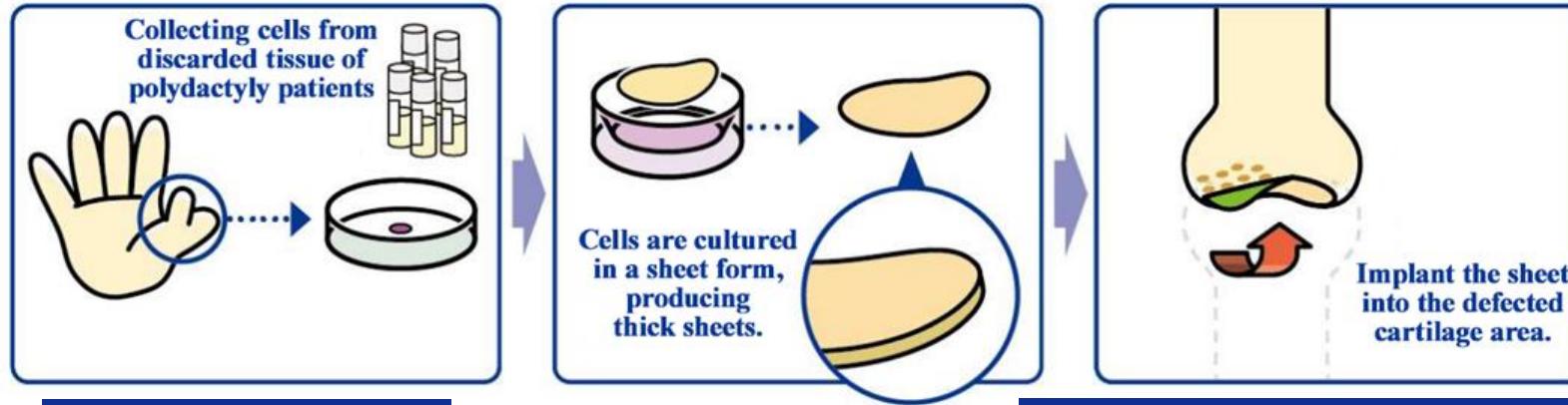
- Higher disease prevalence in the elderly population
- Female prevalence is 1.5-2 times higher than male
- Patient population is expected to increase due to aging



Source:
Comprehensive Survey of
Living Conditions by the
Ministry of Health, Labour
and Welfare in 2025

Knee osteoarthritis is a disease that should be urgently addressed in terms of healthy life expectancy, long-term care, and healthcare costs

Allogeneic cartilage cell sheets



Technological seeds



Favorable results observed in all 10 cases in a clinical study



Technology transfer



Developed as a regenerative medicine product

Raw material supply system

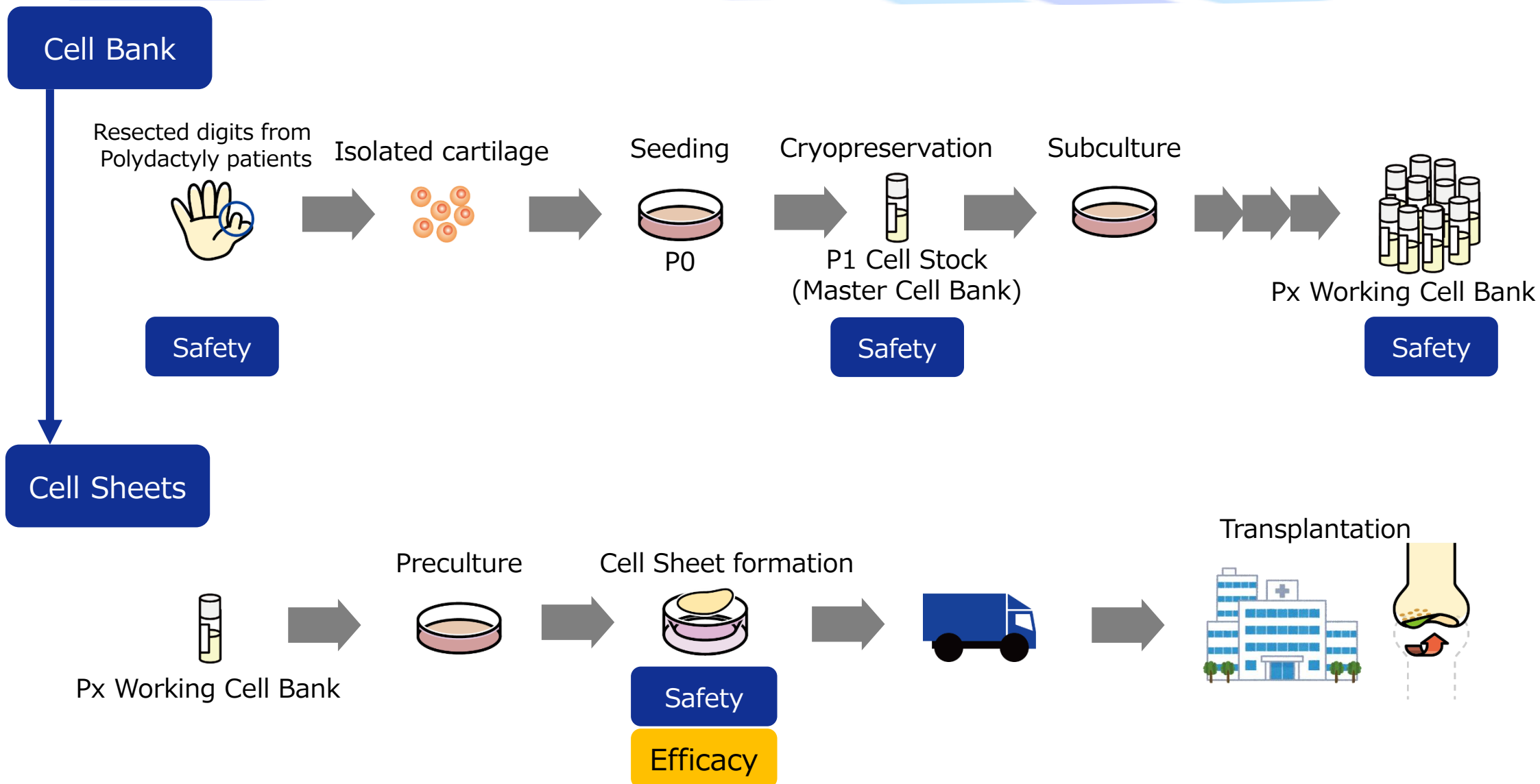


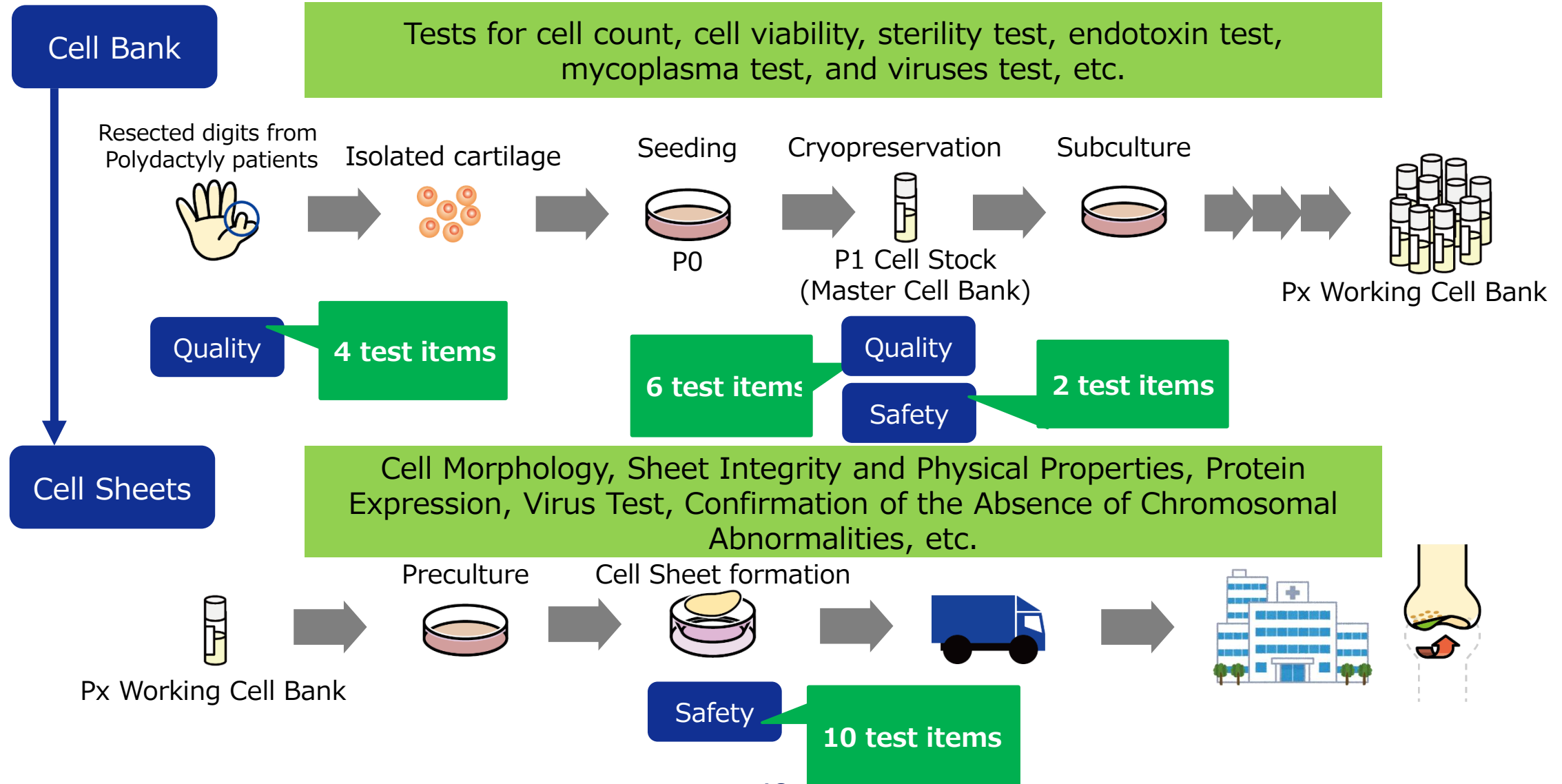
Since 2020, the National Center for Child Health and Development has begun providing cartilage tissue derived from patients with polydactyly (including polydactyly of the toes) for industrial use.



Building a stable domestic supply chain for cells

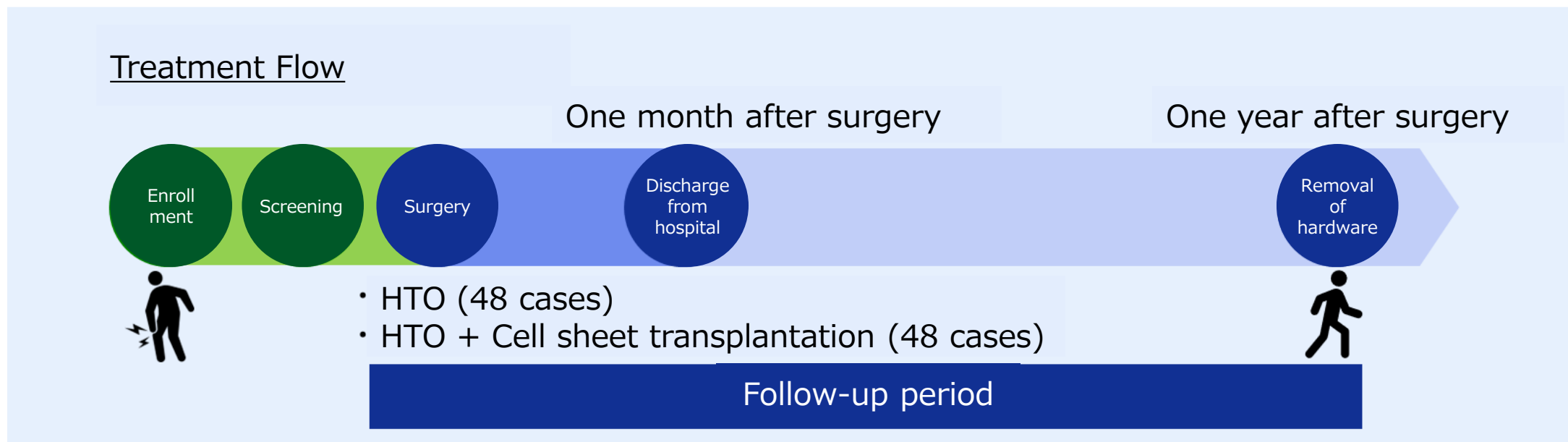
Manufacturing process of allogeneic chondrocyte sheets (CLS2901C)





Allogeneic Chondrocyte Sheets - Phase III Clinical Trial

Target: Patients with knee osteoarthritis who are indicated for high tibial osteotomy (HTO)



Clinical Sites (6 Hospitals):

Tokai University Hospital, Yokohama Sekishinkai Hospital, Ebina General Hospital, Juntendo University Hospital, Yokohama City University Medical Center, Yokohama Minami Kyosai Hospital

The first patient was enrolled in October 2025, and the clinical trial is currently progressing as planned at all study sites.

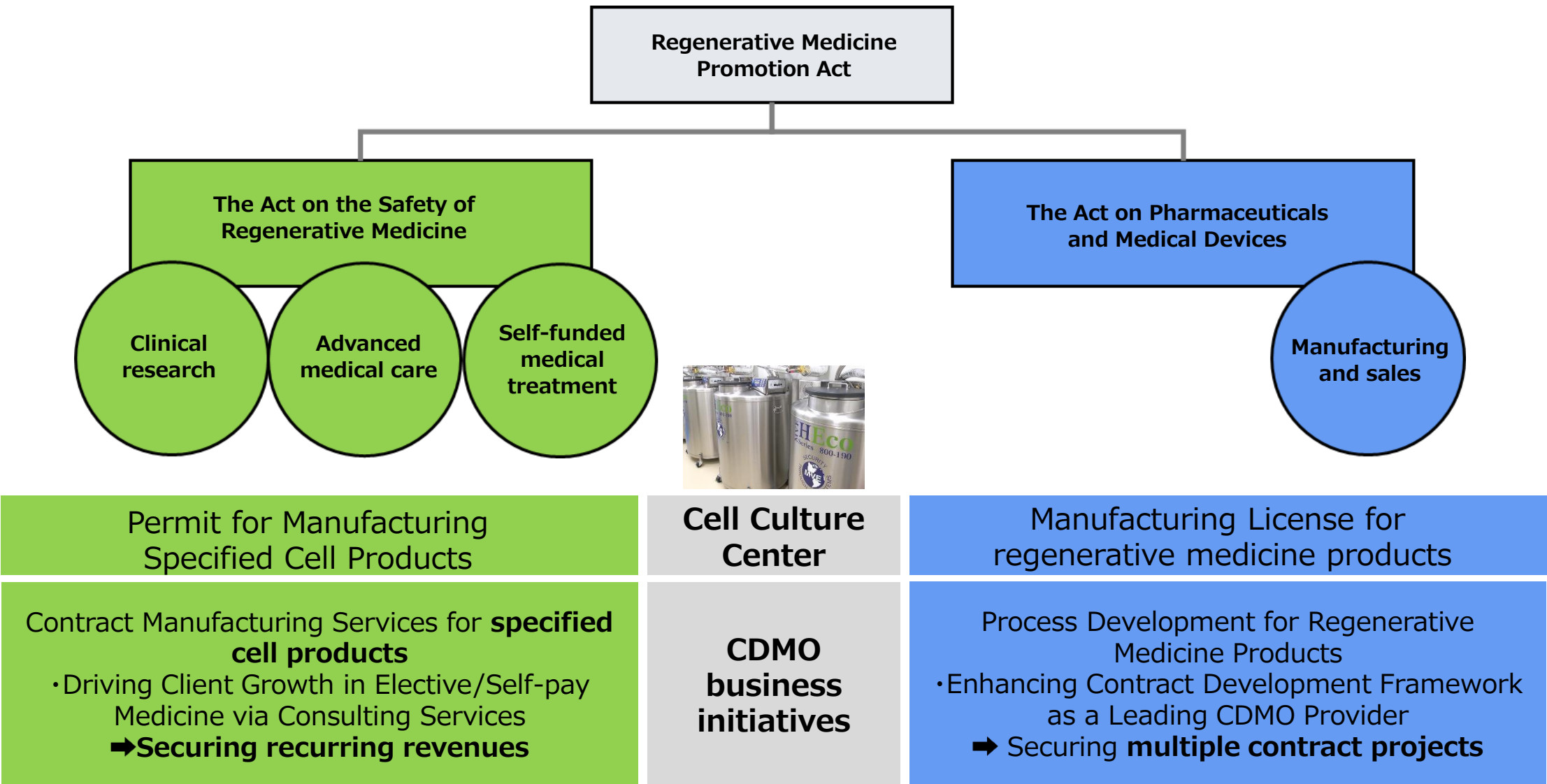


Table of Contents

- ④ Corporate Profile
- ④ Financial Summary for the Second Quarter (Interim Period) of the Fiscal Year Ending December 2026
- ④ Progress of Each Business
 - Cell sheet regenerative medicine business
 - Regenerative medicine support business
 - Regenerative medicine contract manufacturing service business
 - Cell cultureware business
- ④ Events and Academic Conferences

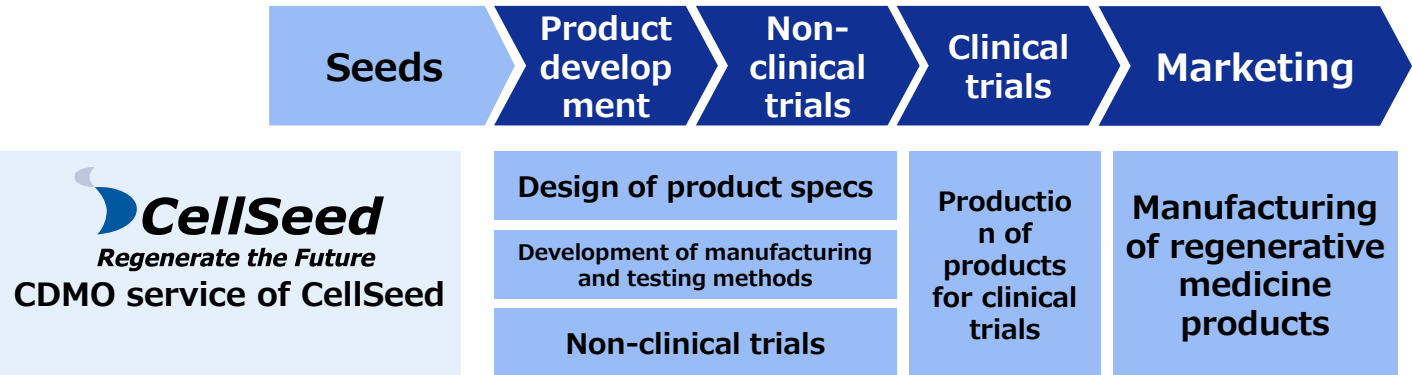


Regenerative medicine contract manufacturing service business: CDMO Business Initiatives





Overview of Contract Development & Manufacturing Services



Future Vision for Our Regenerative Medicine CDMO Business

- Securing Recurring Revenues via Continuous Project Wins

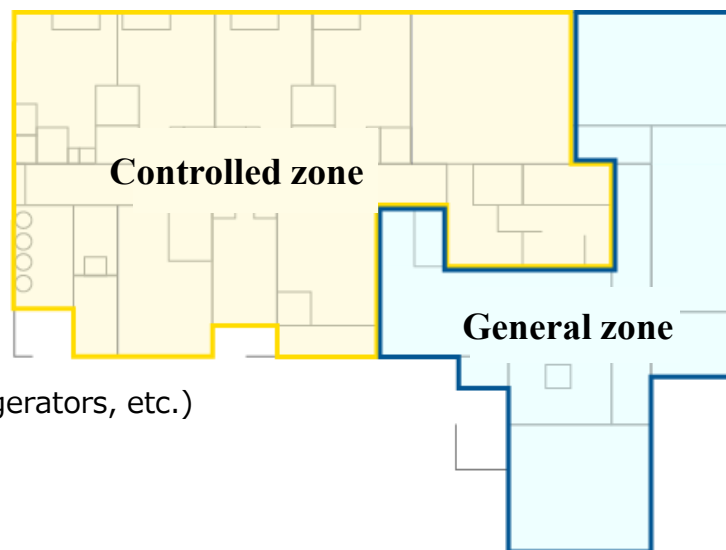


Regenerative medicine contract manufacturing service business: Cell Processing Center (CPC)

Since establishing our Cell Processing Center (CPC) in 2016, we have secured key manufacturing licenses for specified cell-processed products (2017) and regenerative medicine products (2018), driving ongoing development toward marketing approval for cell sheets.

- Total floor area: 763 m²
- Four cell processing rooms
- Automatic monitoring system
 - Cleanliness
 - Room pressure
 - Temperature and humidity
 - Utilization status of equipment (cultureware, refrigerators, etc.)
- Intra-CPC monitoring camera system
- Permit to manufacture specified cell products
(Facility No. FA3160008)
- Manufacturing License for regenerative medicine products
(Manufacturing license No. 13FZ110001)

Floor plan



Facility photos

Cell & tissue storage room



Cell Processing Room



Facility Corridor



Cell Processing Room





Regenerative medicine contract manufacturing service business: Track record

● Features of the regenerative medicine contract manufacturing service



Operating in compliance with the Act on the Safety of Regenerative Medicine and GCTP guidelines, our experienced team provides safe, high-quality products and services through robust manufacturing and quality management frameworks.



In addition to contract manufacturing for cell sheets and various cellular products, we provide comprehensive support, including regulatory documentation for regenerative medicine applications and technical training for specialized personnel

● Major achievements *Contains partially non-disclosed details

- Periodontal ligament cell sheets (Investigator led Clinical trial: Tokyo Women's Medical University and Tokyo Medical and Dental University)
- Autologous cartilage cell sheets (Advanced medical care: Tokai University)
- Pediatric autologous epithelial cell sheets (Clinical research: National Center for Child Health and Development)
- Training for culturing and exfoliating cell sheets
- Support for preparation of application forms

(Elective/Self-pay medical treatment: Ikegami General Hospital: cartilage cell sheets)

(Elective/Self-pay medical treatment: Tokyo Metropolitan Tama-Hokubu Medical Center: epithelial cell sheets for esophageal regeneration)



Table of Contents

- Corporate Profile
- Financial Summary for the Second Quarter (Interim Period) of the Fiscal Year Ending December 2026
- Progress of Each Business
 - Cell sheet regenerative medicine business
 - Regenerative medicine support business
 - Regenerative medicine contract manufacturing service business
 - Cell cultureware business
- Events and Academic Conferences

UpCell®

By immobilizing a temperature-responsive polymer on the surface of cultureware, intact cell sheets can be harvested without the use of enzymes that damage cells



RepCell®

In addition to features similar to those of UpCell®, the surface grid-wall structure enables the recovery of cells in small colony formats



HydroCell®

By applying proprietary nanoscale surface design technology, a super-hydrophilic polymer is immobilized on the surface of cultureware, making it ideal for embryoid body formation of ES cells and macrophage cultivation

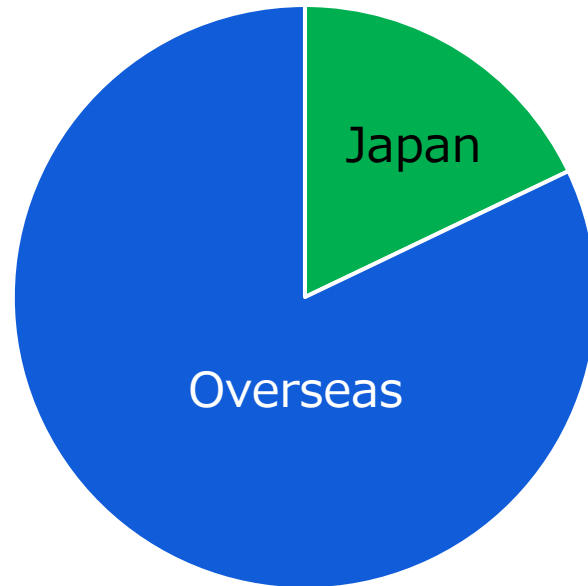


cellZscope

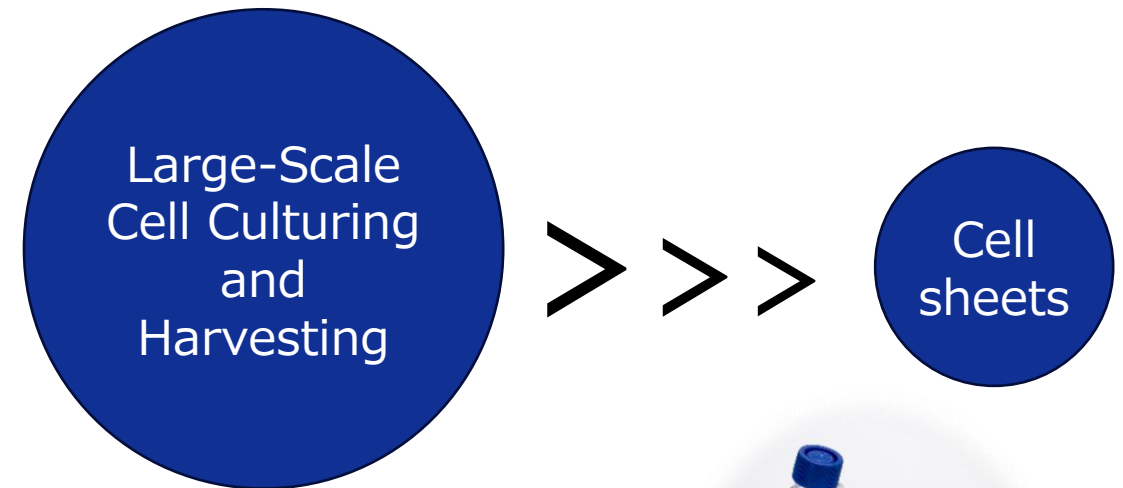
An automated device that measures transepithelial/transendothelial electrical resistance (TEER) of cell layers, making it ideal for studies such as barrier function assessment, analysis of compound absorption and efflux mechanisms, and cytotoxicity evaluation



- Nearly 80% of Sales from Overseas market



- Regenerative medicine outside Japan
 - Growing Cell Therapies in Oncology, Allergy and Immunology

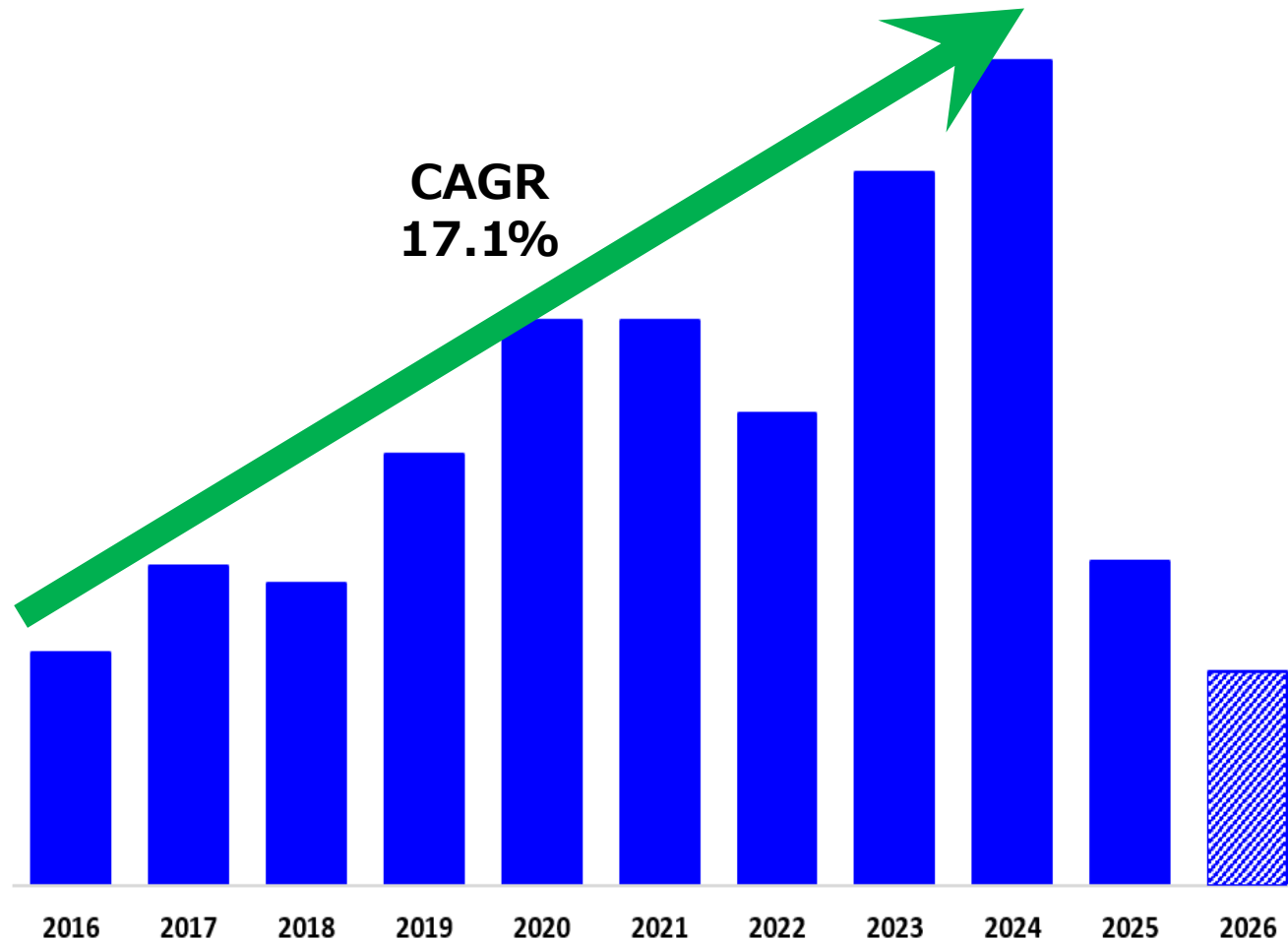


- UpCell Flasks – suitable for large-scale cell culture and harvesting
 - 2022 – Launched in the domestic market
 - 2026 – Started preparations for business operation in overseas markets





Sales Performance of Cell Cultureware Business



Although overseas sales have grown significantly since 2016, ...

Since 2025

- Significant shift in the U.S. research environment
- Persistent geopolitical disruptions in Europe, the Middle East, etc.



Declining Sales in International Markets



New market development for cell cultureware and expansion of sales of cell cultureware

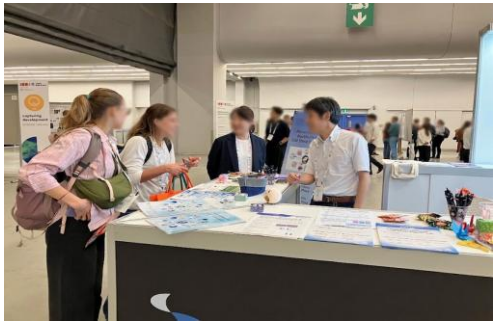
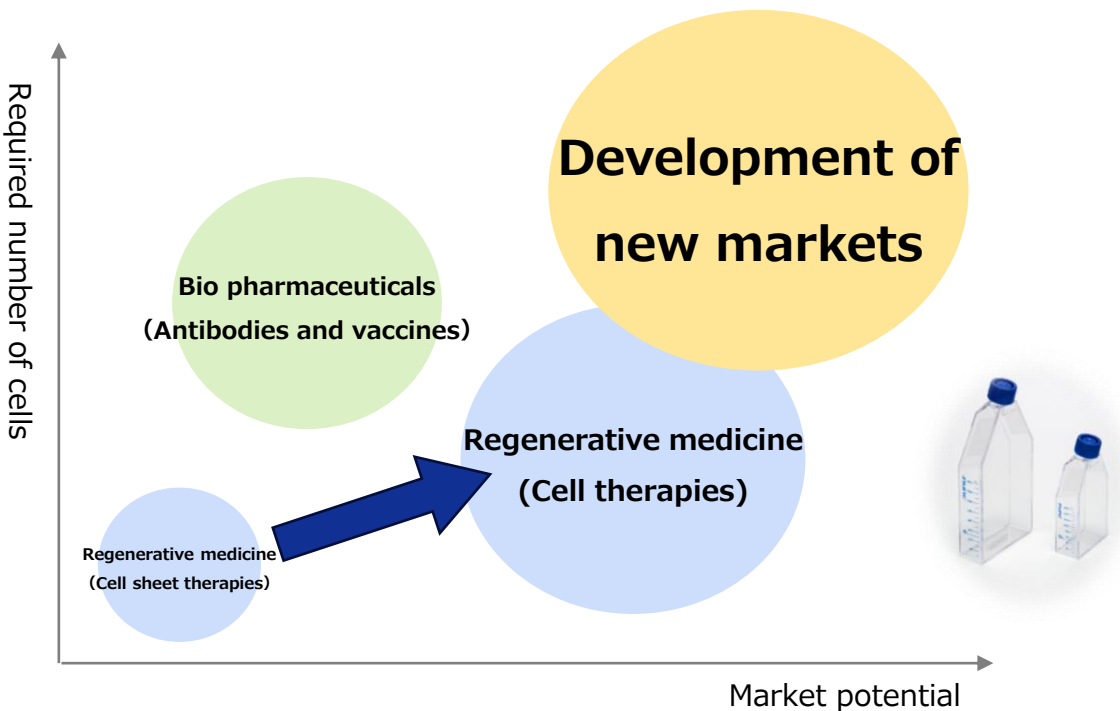


Growing demands or large-scale cell culture

- Manufacturing of bio pharmaceuticals
- Manufacturing of cells for immunotherapy
- Development of cellular foods, such as cultured meat

Expanding Global Market Footprint: Strengthening Promotion to Boost Brand Awareness and Sales Growth

- Participation in ISSCR 2026 (International Society for Stem Cell Research) in Montreal, Canada (July 8-11)
 - Corporate booth Exhibition
 - Poster presentation



Reference info: Forecast for the global regenerative medicine market 2025/2030/2035 [100 million yen]
Tissue transplantation (cell sheets); 812/895/885
Cell transplantation (cell therapy); 13,476/24,695/36,033
Source: Survey on the markets of regenerative medicine and gene therapy in FY 2019
Arthur D. Little Japan: Final Report, P144

Reference info: Outlook for sales of bio pharmaceuticals: 300,000 [100 million yen] in 2020
Source: Issues in the bio pharmaceutical industry, and suggestions for further development of the industry
Japan Pharmaceutical Manufacturers Association, Office of Pharmaceutical Industry Research, Research Paper, No.71, P8

- Strengthening Our Strategic Partnership with Thermo Fisher Scientific



Table of Contents

- ④ Corporate Profile
- ④ Financial Summary for the Second Quarter (Interim Period) of the Fiscal Year Ending December 2026
- ④ Progress of Each Business
 - Cell sheet regenerative medicine business
 - Regenerative medicine support business
 - Regenerative medicine contract manufacturing service business
 - Cell cultureware business
- ④ Events and Academic Conferences

- The 8th Asian Pacific Knee Osteotomy Symposium (APKOS)
 - Jan. 31-Feb. 1, 2026; Dejima Messe Nagasaki in Nagasaki Prefecture
 - Held DEJIMA Seminar as a co-hosted seminar of CellSeed
- The first academic conference of Japan Osteotomy Society
 - Mar. 20-21, 2026; Kyoto Sangyo Kaikan Hall
 - Displayed ads between presentations
- The 25th Congress of the Japanese Society for Regenerative Medicine
 - Mar. 19-20, 2026; Kobe International Conference Center and Kobe International Exhibition Hall
 - Displayed corporate ads for commemorating the 25th anniversary of establishment at the nearest station
 - Poster-based presentation: "Evaluation of non-destructive efficacy of allogeneic cartilage cell sheets (CLS2901C) with phase-contrast micrographs"



In "Shimin Hiroba" Station of Kobe Port Liner

Raising CellSeed's Global Profile and Deepening Stakeholder Relationships



Lectures and exhibitions in the first half of 2026

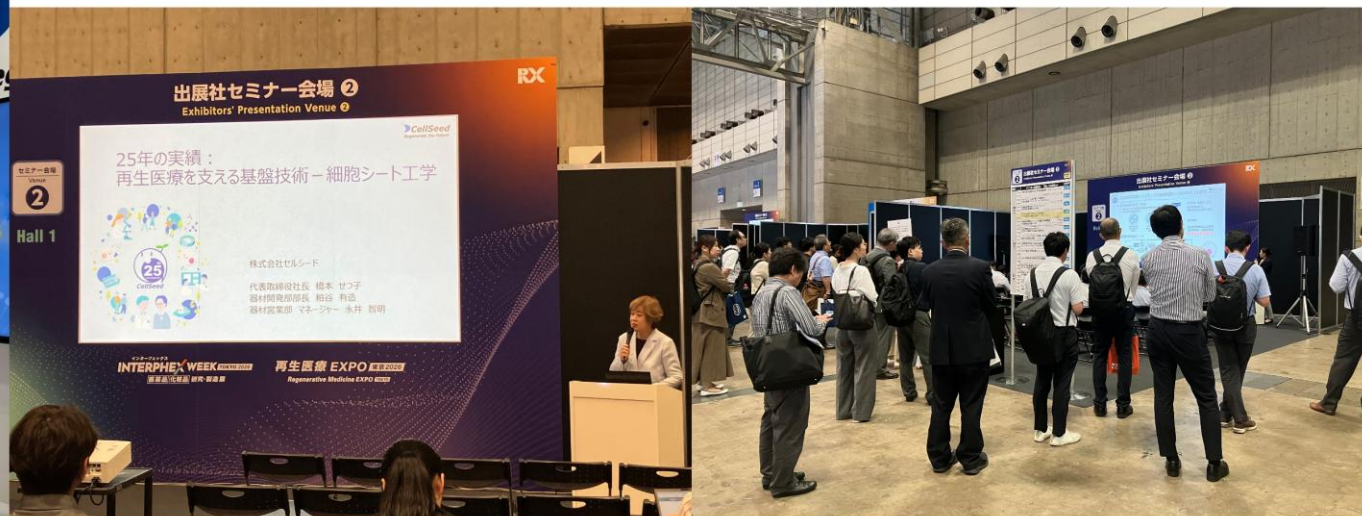
- **Bio Innovation Gathering – in collaboration with FIRM Venture Booster**
(Pitch Commentator; Jan. 30, 2026)
- **American Association for Cancer Research® (AACR) Annual Meeting 2026**
(Corporate exhibition; Apr. 19-22, 2026)
- **CPHI (International exhibition on development of pharmaceutical products); “Drug Development Symposium” (Lecture; Apr. 22, 2026)**
- **Regenerative Medicine EXPO 2026 (Corporate exhibition and lectures; May 20-22, 2026)**
- **Japan Bioindustry Association (Lecture; Jun. 8, 2026)**

Participation in Regenerative Medicine EXPO 2026

● Regenerative Medicine EXPO 2026

Date: Wednesday, May 20 to Friday, May 22 Venue: Makuhari Messe

- Corporate exhibition
- Lectures: "Regenerative medicine pioneered based on 25 years of experience: Reality of CPC operation and CDMO services" and "25-year track record: Fundamental technology for supporting regenerative medicine: Cell sheet engineering"



We look forward to your continued support

- This material contains forward-looking statements that involve risks and uncertainties, and actual results may differ materially
- This material is provided for informational purposes only and does not constitute an offer or solicitation to buy or sell securities
- While care has been taken to ensure accuracy, the Company makes no representation or warranty as to completeness and assumes no liability for any use of this material

Contact info: IR in our website
<https://www.cellseed.com/contact/ir/>

