



February 28, 2025

NEWS RELEASE

Company name: TMS Co., Ltd.
Name of representative: Takuro Wakabayashi, Chief Executive Officer
(Securities code: 4891; Growth Market)

Notice of Royalty and Compensation Payment

TMS Co., Ltd. (the "Company") hereby announces that its Board of Directors, at a meeting held today, resolved to pay a portion of the dividend, in the amount of approximately \$2,254K the Company received from Corxel Pharmaceuticals Limited ("CORXEL"), as follows.

Reason for payment and the payees

The Company is required to distribute a portion of the revenue generated from intellectual property rights (patent rights and know-how) related to SMTP compounds to original owners of such intellectual property rights (parties from which patent rights were assigned to the Company and the Company's in-house inventors), based on patent assignment contracts and company-internal rules.

Accordingly, the Company plans to pay a total of up to 69 million yen as royalties and compensations to the original right holders from the dividend the Company received from CORXEL on February 14, 2025. The actual distribution amount and timing are currently under discussion, and only the maximum amount has been resolved at this time.

The Company also distributed royalties and compensations to the original right holders based on the same reasons in 2018 and 2021.

Amount and timing of payment

Total amount of payment : Up to 69 million yen
Payment timing : To be determined.

Impact on business performance

Although the Company does not disclose earnings forecasts, the Company plans to record expenses up to the above amount as non-operating expenses in the financial statements for the fiscal year ending February 28, 2025. In any event that requires any disclosure hereafter, the Company will promptly disclose such information.

About TMS Co., Ltd.

TMS Co., Ltd. is a clinical-stage biopharmaceutical company focused on the discovery and development of transformative medicines for the treatment of serious diseases in areas of high unmet medical need. The Company's pipeline consists of a family of small molecule compounds called SMTPs (Stachybotrys Microspora Triprenyl Phenols) derived from a fungus. TMS' lead program, TMS-007 (JX10), has demonstrated efficacy and

safety in its Phase 2a study for the treatment of acute ischemic stroke. The Company's robust pipeline also includes programs in resistant or uncontrolled hypertension, acute kidney injury, and spinal cord injury. TMS continues to explore new pipeline products by leveraging its established partnerships with leading academic institutions in Japan, with the intention to build a bridge between academic discoveries and the global pharmaceutical market. For more information about TMS, please visit <https://www.tms-japan.co.jp/en/>

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