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On September 14, 2020, SanBio Co., Ltd. announced earnings results for 1H FY01/21.

Cumulative (JPYmn)	FY01/19				FY01/20				FY01/21		FY01/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	1H Est.
Operating revenue	158	416	569	742	189	428	424	447	-	-	-	-
YoY	27.9%	66.3%	53.2%	51.2%	19.5%	2.9%	-25.4%	-39.7%	-	-	-	-
Operating expenses	1,163	2,031	3,048	4,476	1,438	2,813	4,053	5,933	1,242	2,571	-	-
YoY	1.5%	-15.3%	-13.9%	-8.1%	23.7%	38.5%	33.0%	32.6%	-13.6%	-8.6%	-	-
Operating expenses / Operating revenue	733.8%	488.8%	535.8%	603.5%	759.4%	657.6%	955.2%	1,326.7%	-	-	-	-
R&D expenses	972	1,669	2,497	3,721	1,096	2,014	2,862	4,328	857	1,799	-	-
YoY	4.7%	-16.6%	-16.8%	-10.5%	12.7%	20.6%	14.6%	16.3%	-21.8%	-10.7%	-	-
Other operating expenses	190	362	551	754	343	799	1,191	1,606	385	772	-	-
YoY	-12.1%	-9.0%	1.9%	5.9%	80.0%	120.6%	116.1%	112.8%	12.4%	-3.4%	-	-
Operating profit	-1,004	-1,616	-2,479	-3,734	-1,249	-2,385	-3,629	-5,486	-1,242	-2,571	-	-2,710
YoY	-	-	-	-	-	-	-	-	-	-	-	-
OPM	-	-	-	-	-	-	-	-	-	-	-	-
Recurring profit	-836	-1,040	-1,548	-2,920	-727	-2,040	-3,271	-5,147	-1,506	-3,206	-	-2,759
YoY	-	-	-	-	-	-	-	-	-	-	-	-
RPM	-	-	-	-	-	-	-	-	-	-	-	-
Net income	-838	-1,042	-1,549	-2,921	-736	-2,049	-3,281	-5,158	-1,507	-3,207	-	-2,760
YoY	-	-	-	-	-	-	-	-	-	-	-	-
Net margin	-	-	-	-	-	-	-	-	-	-	-	-

Quarterly (JPYmn)	FY01/19				FY01/20				FY01/21		FY01/21	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	% of FY	FY Est.
Operating revenue	158	257	153	173	189	238	-3	23	-	-	-	-
YoY	27.9%	104.0%	26.3%	44.9%	19.5%	-7.3%	-102.2%	-86.8%	-	-	-	-
SG&A expenses	1,163	869	1,017	1,427	1,438	1,375	1,240	1,880	1,242	1,329	-	-
YoY	1.5%	-30.7%	-10.9%	7.5%	23.7%	58.3%	22.0%	31.7%	-13.6%	-3.3%	-	-
Operating expenses / Operating revenue	733.8%	337.8%	663.3%	826.4%	759.4%	576.7%	-	325.6%	-	-	-	-
R&D expenses	972	697	828	1,224	1,096	918	849	1,465	857	941	-	-
YoY	4.7%	-35.0%	-17.1%	5.8%	12.7%	31.8%	2.5%	19.7%	-21.8%	2.6%	-	-
Other operating expenses	190	172	189	203	343	457	392	415	385	387	-	-
YoY	-12.1%	-5.2%	32.0%	18.4%	80.0%	165.5%	107.4%	103.8%	12.4%	-15.2%	-	-
Operating profit	-1,004	-612	-864	-1,255	-1,249	-1,136	-1,244	-1,857	-1,242	-1,329	-	-5,453
YoY	-	-	-	-	-	-	-	-	-	-	-	-
OPM	-	-	-	-	-	-	-	-	-	-	-	-
Recurring profit	-836	-204	-508	-1,372	-727	-1,312	-1,232	-1,875	-1,506	-1,700	-	-5,543
YoY	-	-	-	-	-	-	-	-	-	-	-	-
RPM	-	-	-	-	-	-	-	-	-	-	-	-
Net income	-838	-204	-508	-1,371	-736	-1,313	-1,232	-1,877	-1,507	-1,700	-	-5,544
YoY	-	-	-	-	-	-	-	-	-	-	-	-
Net margin	-	-	-	-	-	-	-	-	-	-	-	-

Source: Shared Research based on company data

Note: Figures may differ from company data due to differences in rounding methods.

1H FY01/21 results

- ▷ Operating loss JPY2.6bn (JPY2.4bn loss in 1H FY01/20)
- ▷ Recurring loss JPY3.2bn (JPY2.0bn loss in 1H FY01/20)
- ▷ Net loss* JPY3.2bn (JPY2.0bn loss in 1H FY01/20)

*Net loss attributable to owners of the parent

- ▷ The company did not generate operating revenue in 1H FY01/21.
- ▷ Operating loss: JPY2.6bn (JPY2.4bn operating loss in 1H FY01/20). R&D expenses totaled JPY1.8bn (versus JPY2.0bn in 1H FY01/20) for manufacturing expenses in preparation for applying for approval of the SB623 development program targeting chronic motor deficit from traumatic brain injury (TBI).
- ▷ Non-operating income: Non-operating income declined JPY981mn from JPY346mn in 1H FY01/20 to net non-operating expenses of JPY635mn. This is largely attributable to a JPY494mn subsidy income in 1H FY01/20 and a JPY614mn forex loss recorded in 1H FY01/21. The forex losses are from foreign currency denominated assets.
- ▷ Recurring loss: Recurring loss widened by JPY1.2bn to JPY3.2bn due to factors such as the aforementioned increase in non-operating expenses.
- ▷ Progress versus forecast: Operating loss stood at 47.1% of recent company full-year forecast while for recurring loss and net loss attributable to owners of the parent the respective rates were 57.8% and 57.8%.

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