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May 13, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: Takara Bio Inc.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4974  
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 Scheduled date of annual general meeting of shareholders: TBD  
 Scheduled date to commence dividend payments: -  
 Scheduled date to file annual securities report: TBD  
 Preparation of supplementary material on financial results: No  
 Holding of financial results briefing: No

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

### 1. Consolidated financial results for the fiscal year ended March 31, 2026 (from Apr. 1, 2025 to Mar. 31, 2026)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Mar. 31, 2026	40,318	(10.5)	(4,688)	-	(4,992)	-	(9,599)	-
Mar. 31, 2025	45,039	3.5	2,263	(24.6)	2,592	(23.9)	1,041	(29.6)

Note: Comprehensive income For the fiscal year ended Mar. 31, 2026: ¥(9,765) million - %  
 For the fiscal year ended Mar. 31, 2025: ¥6,112 million 39.3 %

Fiscal year ended	Net income per share	Fully Diluted net income per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Mar. 31, 2026	(79.72)	-	(8.8)	(3.9)	(11.6)
Mar. 31, 2025	8.65	-	0.9	2.1	5.0

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended Mar. 31, 2026: ¥ - million  
 For the fiscal year ended Mar. 31, 2025: ¥ - million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
Mar. 31, 2026	133,658	103,967	77.6	860.90
Mar. 31, 2025	125,334	115,849	92.2	959.19

Reference: Equity  
 As of Mar. 31, 2026: ¥103,665million  
 As of Mar. 31, 2025: ¥115,500 million

### 3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Mar. 31, 2026	3,582	(18,680)	6,121	18,214
Mar. 31, 2025	5,844	(10,912)	(2,256)	27,036

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Mar. 31, 2025	-	0.00	-	17.00	17.00	2,047	196.5	1.8
Fiscal year ended	-	0.00	-	0.00	0.00	-	-	-
Mar. 31, 2026	-	-	-	-	-	-	-	-
Fiscal year ending	-	-	-	-	-	-	-	-
Mar. 31, 2027 (Forecast)	-	-	-	-	-	-	-	-

Note: As stated in the “Announcement of Results of the Tender Offer by Takara Holdings, the Parent Company of the Company, for the Common Stock of the Company,” announced on April 7, 2026, the Company is scheduled to become a wholly owned subsidiary of Takara Holdings, following the prescribed procedures, and the Company’s shares are scheduled to be delisted. Accordingly, the dividend forecast for the fiscal year ending March 31, 2027 is not provided.

### 3. Consolidated financial forecast for the year ending March 31, 2027 (Apr. 1, 2026 – Mar. 31, 2027)

(Percentages indicate year-on-year changes for the full year and year-on-year changes for the quarter.)

	Net sales		Operating profit		Ordinary profit		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter (cumulative)	19,900	5.9	(2,350)	-	(2,500)	-	(4,450)	-	(36.96)
Full year	44,000	9.1	(2,700)	-	(3,000)	-	(6,400)	-	(53.15)

#### \* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: Curio Biosciences, Inc.

Excluded: None

Note: For details, please refer to “3. Consolidated Financial Statements and Primary Notes, and subsection (5) Notes to Consolidated Financial Statements (Changes in Scope of Consolidation or Scope of Equity Method Application)” on page 10 of the attached document.

(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 Mar. 31, 2026	120,415,600 shares
As of Mar. 31, 2025	120,415,600 shares

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

As of Mar. 31, 2026	300 shares
As of Mar. 31, 2025	113 shares

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

Fiscal year ended Mar. 31, 2026	120,415,479 shares
Fiscal year ended Mar. 31, 2025	120,415,538 shares

\*(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated results for the year ended March 31, 2026 (April 1, 2025 – March 31, 2026)

(1) Non-consolidated Results of Operations

	Year ended Mar. 31, 2026		Year ended Mar. 31, 2025	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Net sales	22,700	(10.5)	25,354	(6.2)
Operating profit	(2,824)	-	63	(95.9)
Ordinary profit	(1,445)	-	453	(88.2)
Net income	(6,191)	-	209	(92.8)
Net income per share (in yen)	(51.42)		1.74	
Fully diluted net income per share (in yen)	-		-	

(2) Non-consolidated Financial Position

	As of Mar 31, 2026	As of Mar 31, 2025
	(Millions of yen)	(Millions of yen)
Total assets	99,782	97,864
Net assets	84,309	92,548
Equity ratio (%)	84.5	94.6
Net assets per share (in yen)	700.15	768.57
(Reference) Equity	84,309	92,548

<Reasons for the difference from the results of the previous fiscal year for the non-consolidated results>

In the fiscal year under review, the Takara Bio Inc. (the “Company”) experienced significant differences in actual results for net sales and each profit item between the previous fiscal year and the current fiscal year, due to factors such as the global slowdown in the life science research market, intensifying competition with local competitors in China, a decrease in development projects in the fields of cell and gene therapy in Japan, and increased competition in gene analysis.

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

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

Forward-looking statements contained in this document are determined by the Company based on information currently available to the Company and include a number of uncertainties. Actual results could differ from these forecasts due to changes in conditions that occur in the future. For information regarding the above, please refer to subsection (4) “Future Outlook” on page 3 of the attached document.

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## 1. Overview of Financial Results for the year ended March 31, 2026

### (1) Overview of Financial Results

The outlook for the global economy in the fiscal year under review is uncertain due to factors such as prolonged inflation in the United States and Europe, economic recession in China, and heightened geopolitical risks caused by regional conflicts and other factors, and the ongoing blocking of the global economy.

In the life science industry as well, the research budget has been reduced due to the impact of global inflation and high interest rates in Europe and the United States. In the United States, the government policy has substantially reduced research grants, and the activity of research and development in the industry and academia is declining. In China, competition with rival domestic competitors is intensifying. Consequently, uncertainty about the outlook is increasing.

Under these circumstances, in the Long-Term Management Plan 2026 for the six-year period ended March 31, 2026, and the Medium-Term Management Plan 2026 for the three-year period ended March 31, 2026, we have promoted the development of biotechnology-based biologics development technologies through Reagents / Instruments business and CDMO business and have promoted initiatives aimed at becoming a global platform provider responsible for the infrastructure of the life science industry.

In the fiscal year under review, net sales decreased to ¥40,318 million (down 10.5% year-on-year) as sales of all categories of Reagents, Instruments, CDMO, and Gene Therapy declined. Cost of sales increased to ¥20,057 million (up 5.7% year-on-year) due to changes in the sales mix, and other reasons. As a result, gross profit decreased to ¥20,261 million (down 22.3% year-on-year). Selling, general and administrative (SG&A) expenses were ¥24,949 million (up 4.8% year-on-year) due to the acquisition of Curio Bioscience, Inc. (“Curio”) and the recording of goodwill amortization, and operating loss was ¥4,688 million (compared with an operating profit of ¥2,263 million in the previous fiscal year).

Due to the recording of the operating loss, the ordinary loss amounted to ¥4,992 million (compared with an ordinary profit of ¥2,592 million in the previous year).

The net loss before income taxes was ¥9,200 million (compared with a profit before income taxes of ¥1,997 million in the previous year), primarily due to the recording of an impairment loss of ¥3,876 million on unused manufacturing facilities for contract services, among other factors. The income taxes-deferred amounted to ¥183 million due to the reversal of deferred tax assets, among other factors. Consequently, the net loss attributable to owners of the parent was ¥9,599 million (compared with net profit attributable to owners of parent of ¥1,041 million in the previous fiscal year).

### (2) Overview of Financial Position

Total assets at the end of the fiscal year under review were ¥133,658 million, an increase of ¥8,323 million from the end of the previous fiscal year. This was mainly due to increase of ¥10,932 million in technology-based intangible assets and ¥7,600 million in construction in progress, despite decrease of ¥9,098 million in cash and deposits. The increase in technology-based intangible assets resulted from the acquisition of Curio, while the increase in construction in progress was due to payments for manufacturing facility construction work.

Total liabilities at the end of the fiscal year under review were ¥29,690 million, an increase of ¥20,205 million from the end of the previous fiscal year. This was mainly due to an increase of ¥10,000 million in long-term borrowings and ¥9,369 million in contingent consideration liability. The increase in contingent consideration liability was mainly due to the acquisition of Curio.

Total net assets at the fiscal year under review were ¥103,967 million, a decrease of ¥11,881 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥11,646 million in retained earnings.

### **(3) Overview of Cash Flows**

Net cash provided by operating activities amounted to ¥3,582 million, representing a decrease of ¥2,261 million from the previous fiscal year. This was mainly attributable to cash inflows from depreciation and amortization of ¥4,136 million, impairment losses of ¥3,876 million, a decrease in notes and accounts receivable–trade of ¥3,329 million, and a decrease in inventories of ¥1,072 million, which were more than offset by a cash outflow of ¥9,200 million attributable to a loss before income taxes.

Net cash used in investing activities amounted to ¥18,680 million, representing an increase in cash outflows of ¥7,767 million compared with the previous fiscal year. This was mainly due to expenditures of ¥12,575 million for the acquisition of tangible and intangible fixed assets and ¥6,416 million for the acquisition of shares of subsidiaries resulting in changes in the scope of consolidation, among other factors.

Net cash provided by financing activities amounted to ¥6,121 million, compared with a net cash outflow of ¥2,256 million in the previous fiscal year. This was mainly attributable to proceeds from long-term borrowings of ¥9,951 million, offset by dividend payments of ¥2,050 million and payments of ¥1,496 million for the settlement of contingent consideration, among other factors.

As a result of the above, the balance of cash and cash equivalents at the end of the fiscal year under review, including the effect of exchange rate changes on cash and cash equivalents, etc., decreased by ¥8,822 million from the end of the previous fiscal year to ¥18,214 million.

### **(4) Future Outlook**

The current business environment surrounding the Company is characterized by a growing sense of uncertainty about the future as research budgets are shrinking due to the impact of global price increases and persistently high interest rates in Europe and the United States. In the United States, research subsidies have been significantly reduced due to government policies in the fiscal year ended March 31, 2026, resulting in a further decline in research and development activities in both industry and academia. In China, competition with domestic competitors has intensified. In Japan, moreover, the business environment has been changing rapidly due to a downward trend in development projects and changes in their development strategies by major pharmaceutical companies in the regenerative / cellular medicine and gene therapies fields, and intensified price competition and the entry of new competitors in the genetic analysis field.

The Company has positioned the early improvement of profitability as a top priority. In conjunction with becoming a wholly owned subsidiary of Takara Holdings Inc. (“Takara Holdings”), the Company will pursue more flexible and agile decision-making while leveraging the resources and expertise of Takara Holdings. Through initiatives including reforming its earnings structure by reviewing business domains and personnel allocation, improving operational efficiency in manufacturing and administrative functions, strengthening business development in new business fields, and promoting active personnel exchanges to facilitate mutual knowledge sharing, the Company aims to transform its business structure into one that sustainably generates profits commensurate with its asset scale. As announced in today’s press release, titled “Implementation of Structural Reforms for Profit Improvement,” the Company will strive for an early recovery in profitability and aim for sustainable medium- to long-term growth.”

Consolidated financial forecasts for the fiscal year ending March 31, 2027 are net sales of ¥44,000 million, operating loss of ¥2,700 million, ordinary loss of ¥3,000 million, and net loss attributable to owners of the parent of ¥6,400 million.

For a comparison between the forecasts for the following fiscal year and the results for the fiscal year ended March 31, 2026, please refer to "4. Supplementary Information (3) Comparative Statement of Income Relating to Consolidated Financial Forecasts" on page 15.

## **2. Basic Concept on Selection of Accounting Standards**

The Company prepares its consolidated financial statements in accordance with Japanese GAAP, considering the comparability of consolidated financial statements between periods and between companies.

With regard to the application of IFRS, the Company's policy is to respond appropriately, taking into account various domestic and overseas circumstances.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of Mar. 31, 2025	As of Mar. 31, 2026
<b>Assets</b>		
Current asset		
Cash and deposits	29,549	20,451
Notes and accounts receivable-trade	20	16
Electronically recorded monetary claims-operating	839	904
Accounts receivable-trade	13,235	9,979
Merchandise and finished goods	6,794	6,872
Work in process	1,070	1,192
Raw materials and supplies	4,575	3,556
Other	1,672	1,997
Allowance for doubtful accounts	(77)	(92)
Total current assets	57,679	44,878
Non-current assets		
Property, plant and equipment		
Buildings and structures	30,194	30,761
Accumulated depreciation	(9,771)	(11,029)
Buildings and structures, net	20,422	19,731
Machinery, equipment and vehicles	9,075	9,288
Accumulated depreciation	(6,051)	(6,521)
Machinery, equipment and vehicles, net	3,024	2,766
Tools, furniture and fixtures	12,129	12,002
Accumulated depreciation	(8,550)	(9,161)
Tools, furniture and fixtures, net	3,578	2,840
Land	9,250	9,213
Leased assets	741	759
Accumulated depreciation	(266)	(325)
Leased assets, net	475	434
Construction in progress	19,450	27,051
Other	1,461	1,548
Accumulated depreciation	(709)	(843)
Others, net	751	705
Total Property, plant and equipment	56,954	62,744
Intangible assets		
Goodwill	6,516	12,432
Technology-based intangible assets	112	11,045
Other	1,342	1,323
Total intangible assets	7,971	24,801
Investments and other assets		
Deferred tax assets	1,003	265
Retirement benefit assets	250	230
Others	1,475	737
Total investments and other assets	2,730	1,233
Total non-current assets	67,655	88,779
Total assets	125,334	133,658

(Millions of yen)

	As of Mar. 31, 2025	As of Mar. 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	1,652	1,449
Lease obligations	193	207
Accrued payable-other	1,771	1,341
Accrued income taxes	213	162
Provision for bonuses	1,003	567
Contingent consideration liability	-	1,488
Other	2,296	2,570
Total current liabilities	7,131	7,786
Non-current liabilities		
Long-term borrowings	-	10,000
Lease obligations	908	776
Deferred tax liabilities	-	1,463
Retirement benefit liabilities	989	1,027
Contingent consideration liability	-	7,880
Other	455	756
Total non-current liabilities	2,353	21,903
<b>Total liabilities</b>	<b>9,485</b>	<b>29,690</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	14,965	14,965
Capital surplus	32,893	32,893
Retained earnings	52,465	40,819
Treasury shares	(0)	(0)
Total shareholders' equity	100,324	88,678
Accumulated other comprehensive income		
Foreign currency translation adjustment	15,331	15,266
Cumulative remeasurements of retirement benefit	(155)	(278)
Total accumulated other comprehensive income	15,175	14,987
Non-controlling interests	348	302
<b>Total net assets</b>	<b>115,849</b>	<b>103,967</b>
<b>Total liabilities and net assets</b>	<b>125,334</b>	<b>133,658</b>

**(2) Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income  
(Consolidated Statements of Profit or Loss)**

(Millions of yen)

	Year ended Mar. 31, 2025	Year ended Mar. 31, 2026
Net sales	45,039	40,318
Cost of sales	18,972	20,057
Gross profit	26,067	20,261
SG&A expenses		
Provision for doubtful accounts	6	40
Employees' salaries and bonuses	7,067	7,450
Provision for accrued bonuses	507	288
Retirement benefit expenses	341	333
R&D expenses	6,897	6,806
Other	8,983	10,030
Total SG&A expenses	23,804	24,949
Operating profit (loss)	2,263	(4,688)
Non-operating income		
Interest income	300	174
Foreign exchange gains	-	52
Rent income from real estate	171	156
Other	147	44
Total non-operating income	619	427
Non-operating expense		
Interest expenses	20	582
Foreign exchange losses	131	-
Rent expenses on real estate	86	91
Other	50	58
Total non-operating expenses	289	732
Ordinary profit (loss)	2,592	(4,992)
Extraordinary gains		
Gain on sale of fixed assets	2	38
Gain on reversal of asset retirement obligations	-	74
Other	4	-
Total extraordinary profit	6	112
Extraordinary losses		
Loss on sale and retirement of non-current assets	137	96
Impairment loss	377	3,876
Loss on money transfer fraud at overseas subsidiaries	84	-
Other	1	345
Total extraordinary losses	601	4,319
Income (loss) before income taxes	1,997	(9,200)
Income taxes-current	1,118	169
Income taxes-deferred	(208)	183
Total income taxes	910	353
Net income (loss)	1,087	(9,553)
Net income attributable to non-controlling interest	45	45
Net income (loss) attributable to owners of the parent	1,041	(9,599)

**(Consolidated Statements of Comprehensive Income)**

(Millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Net income (loss)	1,087	(9,553)
Other comprehensive income		
Foreign currency translation adjustment	4,806	(87)
Remeasurements of retirement benefit	218	(123)
Total other comprehensive income	5,024	(211)
Comprehensive income	6,112	(9,765)
Comprehensive income attributable to:		
Owners of the parent	6,042	(9,787)
Non-controlling interest	69	22

### (3) Consolidated Statements of Changes in Net Assets

Previous fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Share Capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Foreign currency translation adjustment	Cumulative remeasurements of retirement benefit	Total accumulated other comprehensive income		
Balance at the beginning of current period	14,965	32,893	53,471	-	101,330	10,548	(373)	10,174	279	111,784
Changes of items during the period										
Dividends from surplus			(2,047)		(2,047)					(2,047)
Net income attributable to owners of the parent			1,041		1,041					1,041
Share repurchase				(0)	(0)					(0)
Net changes of items other than shareholders' equity						4,782	218	5,000	69	5,070
Total changes of items during the period	-	-	(1,005)	(0)	(1,005)	4,782	218	5,000	69	4,065
Balance at the end of current period	14,965	32,893	52,465	(0)	100,324	15,331	(155)	15,175	348	115,849

Current fiscal year (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Share Capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Foreign currency translation adjustment	Cumulative remeasurements of retirement benefit	Total accumulated other comprehensive income		
Balance at the beginning of current period	14,965	32,893	52,465	(0)	100,324	15,331	(155)	15,175	348	115,849
Changes of items during the period										
Dividends from surplus			(2,047)		(2,047)					(2,047)
Net income attributable to owners of the parent			(9,599)		(9,599)					(9,599)
Share repurchase				(0)	(0)					(0)
Net changes of items other than shareholders' equity						(64)	(123)	(188)	(46)	(234)
Total changes of items during the period	-	-	(11,646)	(0)	(11,646)	(64)	(123)	(188)	(46)	(11,881)
Balance at the end of current period	14,965	32,893	40,819	(0)	88,678	15,266	(278)	14,987	302	103,967

**(4) Consolidated Statements of Cash Flows**

(Millions of yen)

	Year ended Mar. 31, 2025	Year ended Mar. 31, 2026
Net cash provided by (used in) operating activities		
Profit (loss) before income taxes	1,997	(9,200)
Depreciation and amortization	3,611	4,136
Impairment loss	377	3,876
Loss on money transfer fraud at overseas subsidiaries	84	-
Depreciation and amortization on other	180	168
Amortization of goodwill	690	1,017
Increase (decrease) in allowance for doubtful accounts	(2)	13
Increase (decrease) in reserve for bonuses	(8)	(422)
Loss (gain) on remeasurement of contingent consideration	-	7
Increase (decrease) in retirement benefit liabilities	(114)	34
Interest income	(300)	(174)
Interest expenses	20	582
Loss (gain) on sale and retirement of fixed assets	134	58
Gain on reversal of asset retirement obligations	-	(74)
Decrease (increase) in trade receivables-trade	(2,250)	3,329
Decrease (increase) in inventories	102	1,072
Increase (decrease) in notes and accounts payable-trade	(42)	(305)
Increase (decrease) in consumption taxes payable	1,634	126
Increase (decrease) in other current liabilities	(450)	(304)
Other	(88)	(152)
Subtotal	5,576	3,791
Interest and dividend income received	285	173
Income expenses paid	(20)	(70)
Income taxes refund (paid)	86	(311)
Payments for loss on remittance fraud at overseas subsidiaries	(84)	-
Net cash provided by (used in) operating activities	5,844	3,582
Net cash provided by (used in) investing activities		
Payments into time deposits	(1,605)	(3,166)
Proceed from withdrawal of time deposits	1,511	3,425
Purchase of property, plant and equipment and intangible assets	(9,871)	(12,575)
Proceeds from sales of property, plant and equipment and intangible assets	5	32
Purchase of other depreciable assets	(407)	(24)
Investments in nonconsolidated subsidiaries	(546)	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(6,416)
Other	1	44
Net cash provided by (used in) investing activities	(10,912)	(18,680)
Net cash provided by (used in) financing activities		
Proceeds from long-term borrowings	-	9,951
Dividends paid	(2,048)	(2,050)
Dividends paid to non-controlling interests	-	(69)
Repayments of lease obligations	(208)	(213)
Payment for the settlement of contingent consideration	-	(1,496)
Other	(0)	(0)
Net cash provided by (used in) financing activities	(2,256)	6,121

Effect of exchange rate change on cash and cash equivalents	1,190	104
Net increase (decrease) in cash and cash equivalents	(6,134)	(8,871)
Cash and cash equivalents at beginning of period	33,171	27,036
Increase in cash and cash equivalents resulting from initial consolidation of subsidiaries	-	49
Cash and cash equivalents at end of the period	27,036	18,214

## (5) Notes to Consolidated Financial Statements

### (Notes on Premise of Going Concern)

No items to report.

### (Changes in the Scope of Consolidation or Scope of Equity Method Application)

#### Significant changes in the scope of consolidation during the period :

The scope of consolidation was changed due to the acquisition of Curio Bioscience, Inc. which became a consolidated subsidiary from the fiscal year ended March 31, 2026.

### (Notes on Business Combinations)

(Business Combination through Acquisition)

(Acquisition of Curio Bioscience, Inc.)

On January 15, 2025 (U.S. local time), Takara Bio USA Holdings Inc., a 100% owned subsidiary of the Company, entered into a purchase agreement with Curio Bioscience, Inc. ("Curio") stockholder representatives and acquired the shares of the Company and made it a subsidiary.

#### (1) The outline of the Business Combination

##### (i) Name of the acquired company and details of business

Name of the acquired company: Curio Bioscience, Inc.

Description of business: Development, manufacture, and sale of research reagents for spatial transcriptome analysis

##### (ii) Main reasons for the business combination

The Company provides research Reagents, Instruments, and CDMO to academia and corporate biotechnology researchers. In recent years, the Company has been expanding sales, particularly in the United States, by focusing on product development and sales activities for next-generation sequencing ("NGS") reagents. Technological advances in NGS field are making steady progress, and it is predicted that the growth of NGS market will shift from simple NGS analysis to single-cell analysis and even spatial transcriptome analysis (hereinafter referred to as "spatial analysis"). In 2017, the Company launched a single-cell analysis system, and in 2023 and launched a contract analysis service for spatial analysis. In these and other ways, the Company is developing the business in response to trends in NGS marketplace.

Curio was a U.S. venture-based company that develops advanced reagents for spatial analysis. It provides reagents that enable high-density, high-resolution spatial analysis using DNA barcode beads, a proprietary technology. With Curio as a member of the Company group, the Company will create strong synergies by combining Curio's basic technology for spatial analysis with the genetic engineering and genetic analysis technologies cultivated by the group. Specifically, the Company will promote the development of general-purpose reagents that fit various single-cell analyzers, etc., the development of high-quality products by combining Curio's products with the Company's products, and differentiation from competing products, and the expansion of spatial analysis contract services using Curio's products.

##### (iii) Date of business combination

January 15, 2025 (U.S. local time)

##### (iv) Legal Formal Share Acquisition of Business Combination

Acquisition of shares

(v) Name following business combination  
Curio Bioscience, Inc.

(vi) Percentage of voting rights acquired  
100%

(vii) Main rationale for determining the company to acquire  
Acquisition of shares for cash consideration

(2) Period of performance of the acquired company included in the consolidated statement of profit or loss  
From January 15, 2025 to December 31, 2025

(3) Acquisition cost of the acquired company and breakdown by type of consideration

Acquisition cost	US\$107.4 million
Breakdown of acquisition cost	
Cash	US\$40.9 million
Contingent consideration (unpaid portion) (Note)	US\$66.4 million

(Note) The Company has entered into a contingent consideration agreement under which additional consideration will be paid upon the achievement of multiple development and sales milestones up to a total of \$150 million. The Company has estimated the probability of achieving such milestones and, based on the calculated present value, recognized \$ 66.4 million as unpaid acquisition consideration. Of the changes in fair value related to contingent consideration, the portion attributable to changes in time value is recorded as “interest expenses,” while the portion attributable to changes other than time value is recorded as “Selling, general and administrative (SG&A) expenses.”

(4) Details and amounts of major acquisition-related expenses  
Advisory fees and commissions US\$4,309,000

(5) Amount of goodwill arising, cause, amortization method, and amortization period

(i) Amount of goodwill: ¥6,928 million (US\$ 43.9 million):

(ii) Factors underlying goodwill: The goodwill arose primarily from the expected future excess earning power anticipated from the Group’s future business development.

(iii) Method and period of amortization: Straight-line amortization over a period of 18 years.

(6) Amounts of assets acquired and liabilities assumed on the date of the business combination and their main breakdown

Current assets	¥278 million	US\$1.7 million
Fixed assets	¥18,792 million	US\$119.2 million
Total assets	¥19,070 million	US\$121.0 million
Fixed liabilities	¥1,474 million	US\$9.3 million
Current liabilities	¥11,138 million	US\$70.6 million
Total liabilities	¥12,613 million	US\$80.0 million

(7) Amount allocated to intangible assets other than goodwill, breakdown by major category, and weighted-average amortization periods for the total and major category

Category	Amount	Weighted-Average Amortization Period
Technology-based intangible assets	¥11,755 million (US\$74.6 million)	18 years

- (8) Estimated impact on the consolidated statement of income for the current consolidated fiscal year, assuming the business combination had been completed at the beginning of the consolidated fiscal year, and the method of calculation thereof:

Such information has been omitted as it is not considered material in terms of amount.

**(Notes on Segment Information)**

Since the Group operates in a single business segment, segment information is omitted.

**(Per-Share Information)**

	Previous Fiscal Year (From April 1, 2024 to March 31, 2025)	Current Fiscal Year (From April 1, 2025 to March 31, 2026)
Net assets per share	¥959.19	¥860.90
Net income (loss) per share	¥8.65	¥(79.72)

(Notes) 1. Diluted net income per share for the consolidated fiscal year under review is not stated because it represents net loss per share and there are no dilutive shares. In addition, diluted net income per share for the previous consolidated fiscal year is not presented because there were no dilutive shares.

2. The basis for calculating net income per share is as follows.

	Previous Fiscal Year (From April 1, 2024 to March 31, 2025)	Current Fiscal Year (From April 1, 2025 to March 31, 2026)
Net income (loss) per share		
Profit (loss) attributable to owners of parent (Millions of yen)	1,041	(9,599)
Amounts not attributable to common stock (Millions of yen)	-	-
Profit (loss) attributable to owners of parent attributable to common stock (Millions of yen)	1,041	(9,599)
Average number of shares of common stock outstanding during the period (Thousands of shares)	120,415	120,415

**(Notes on Significant Subsequent Events)**

In light of the deterioration in profitability caused by rapid changes in the market and competitive environment, the Company resolved, at a meeting of the Board of Directors held on February 13, 2026, to express its support for the tender offer (the “Tender Offer”) for the Company’s shares by Takara Holdings, its parent company, and to recommend that the Company’s shareholders tender their shares in the Tender Offer, as announced in the press release dated February 13, 2026, entitled “Notice Concerning Expression of Opinion in Support of Tender Offer for Company Shares by Takara Holdings, and Recommendation to Tender Shares.”

Following the completion of the Tender Offer, as announced in the press release dated April 7, 2026, entitled “Announcement of Results of the Tender Offer by Takara Holdings, the Parent Company of the Company, for the Common Stock of the Company,” and after completing a series of subsequent procedures, the Company’s shares are scheduled to be delisted as of June 12, 2026.

The above event occurred after the end of the consolidated fiscal year and therefore has no impact on the consolidated financial statements for the fiscal year under review.

#### 4. Supplemental Information

##### (1) Trends in Key Indicators for Business Management

###### 1) Cash Flows

(Millions of yen)

	Previous Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)	Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)
Cash flow from operating activities	5,844	3,582
Cash flow from investing activities	(10,912)	(18,680)
Cash flow from financing activities	(2,256)	6,121

###### 2) Sales Breakdown by Region

(Millions of yen)

	Previous Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)	Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)
Japan	15,062	14,139
United States	12,997	12,255
China	8,522	5,378
Asia excluding Japan and China	2,855	2,763
Europe	5,248	5,409
Others	353	372
Total	45,039	40,318

**(2) Comparative Consolidated Statement of Income**

(Rounded down to one million yen)

	Year ended Mar.31, 2025 Actual	Year ended Mar. 31, 2026 Actual	Y/Y Change	Y/Y Ratio
(Net sales)				
Reagents	31,995	29,197	(2,798)	(8.7%)
Instruments	1,172	896	(275)	(23.5%)
CDMO	8,113	7,291	(821)	(10.1%)
Gene Therapy	3,757	2,932	(825)	(22.0%)
Total net sales	45,039	40,318	(4,720)	(10.5%)
(Operating profit and Loss)				
<b>Net sales</b>	45,039	40,318	(4,720)	(10.5%)
Cost of sales	18,972	20,057	1,084	5.7%
Gross profit	26,067	20,261	(5,805)	(22.3%)
SG & A expenses	23,804	24,949	1,145	4.8%
Transportation expenses	569	535	(33)	(5.9%)
Advertising expenses	88	93	5	5.9%
Promotion expenses	756	848	92	12.2%
R&D expenses	6,897	6,806	(91)	(1.3%)
Administrative expense, other	15,198	16,398	1,200	7.9%
Enterprise taxes (external standards taxation)	294	266	(27)	(9.3%)
<b>Operating profit</b>	2,263	(4,688)	(6,951)	—
(Non-operating income and Expenses)				
Non-operating income	619	427	(191)	(30.9%)
Non-operating expenses	289	732	442	152.8%
<b>Ordinary profit</b>	2,592	(4,992)	(7,585)	—
(Extraordinary income & Losses)				
Extraordinary income	6	112	105	—
Extraordinary losses	601	4,319	3,717	617.8%
Income before income taxes	1,997	(9,200)	(11,198)	—
Income taxes	910	353	(556)	(61.2%)
Net income	1,087	(9,553)	(10,641)	—
Net income (loss) attributable to non-controlling interests	45	45	0	0.5%
<b>Net income attributable to owners of the parent</b>	1,041	(9,599)	(10,641)	—

Depreciation and amortization (Property, plant and equipment and intangible assets)	3,611	4,136	524	14.5%
Amortization of goodwill	690	1,017	326	47.3%

### (3) Comparative Statement of Income Relating to Consolidated Financial Forecasts

(Rounded down to one million yen)

	Year ended Mar.31, 2026 Actual	Year ending Mar. 31, 2027 Forecast	Y/Y Change	Y/Y Ratio
(Net sales)				
Reagents	29,197	32,705	3,508	12.0%
Instruments	896	1,143	247	27.6%
CDMO	7,291	6,654	(637)	(8.7%)
Gene Therapy	2,932	3,496	563	19.2%
Total net sales	40,318	44,000	3,681	9.1%
(Operating profit and Loss)				
<b>Net sales</b>	40,318	44,000	3,681	9.1%
Cost of sales	20,057	21,209	1,151	5.7%
Gross profit	20,261	22,790	2,529	12.5%
SG & A expenses	24,949	25,490	541	2.2%
Transportation expenses	535	578	43	8.1%
Advertising expenses	93	113	19	21.2%
Promotion expenses	848	907	58	6.9%
R&D expenses	6,806	7,277	470	6.9%
Administrative expense, other	16,398	16,354	(44)	(0.3%)
Enterprise taxes (external standards taxation)	266	260	(6)	(2.5%)
<b>Operating profit</b>	(4,688)	(2,700)	1,988	—
(Non-operating income and Expenses)				
Non-operating income	427	293	(134)	(31.4%)
Non-operating expenses	732	593	(139)	(19.0%)
<b>Ordinary profit</b>	(4,992)	(3,000)	1,992	—
(Extraordinary income & Losses)				
Extraordinary income	112	—	(112)	—
Extraordinary losses	4,319	3,208	(1,111)	(25.7%)
Income before income taxes	(9,200)	(6,208)	2,991	—
Income taxes	353	143	(209)	(59.4%)
Net income	(9,553)	(6,351)	3,201	—
Net income (loss) attributable to non-controlling interests	45	48	2	5.0%
<b>Net income attributable to owners of the parent</b>	(9,599)	(6,400)	3,199	—
Depreciation and amortization (Property, plant and equipment and intangible assets)	4,136	3,914	(221)	(5.4%)
Amortization of goodwill	1,017	908	(109)	(10.7%)