

**Consolidated Financial Statements for the Year Ended March 31, 2026**  
**FY2026 (April 1, 2025 - March 31, 2026) [UNAUDITED]**

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 Stock exchange listings: Tokyo Stock Exchange (PRIME section)  
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 Annual statement filing date (as planned): Jun 25, 2026

- Notes: 1. The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.  
 2. Amounts are rounded down to the nearest million yen.

**1. Results for the year ended March 31, 2026 (April 1, 2025 - March 31, 2026)**

**(1) Consolidated operating results**

Note: Percentages indicated changes from the same period of the previous fiscal year.

|   | Year ended March 31, 2026 |        | Year ended March 31, 2025 |        |
|---|---------------------------|--------|---------------------------|--------|
|   | (Millions of yen)         | (%)    | (Millions of yen)         | (%)    |
| Net sales   | 394,316                   | 8.7    | 362,693                   | 6.9    |
| Operating income (loss)                                 | 17,076                    | (17.1) | 20,597                    | (7.4)  |
| Ordinary income (loss)                                  | 16,861                    | (24.0) | 22,180                    | (5.0)  |
| Net income (loss) attributable to owners of the parent  | 11,696                    | (27.8) | 16,202                    | 0.2    |
| Net income (loss) per share (Yen)                       | 60.52                     |        | 82.98                     |        |
| Fully diluted net income per share (Yen)                | -                         |        | -                         |        |
| Return on equity  |                           | 4.6    |                           | 6.8    |
| Ordinary income to total assets ratio                   |                           | 3.4    |                           | 4.8    |
| Operating income to net sales ratio                     |                           | 4.3    |                           | 5.7    |
| Note: Comprehensive income (loss)                       | 19,976                    | (23.1) | 25,976                    | (31.0) |
| (Reference) Income (loss) from equity method investment | 70                        |        | 64                        |        |

**(2) Consolidated financial position**

|                            | As of March 31, 2026 | As of March 31, 2025 |
|----------------------------|----------------------|----------------------|
|                            | (Millions of yen)    | (Millions of yen)    |
| Total assets               | 513,801              | 477,587              |
| Net assets                 | 310,937              | 300,903              |
| Equity ratio (%)           | 50.5                 | 51.3                 |
| Net assets per share (Yen) | 1,344.61             | 1,255.93             |
| (Reference) Equity         | 259,339              | 245,228              |

**(3) Consolidated Cash flow**

|  | Year ended March 31, 2026 | Year ended March 31, 2025 |
|--|---------------------------|---------------------------|
|  | (Millions of yen)         | (Millions of yen)         |
| Cash flow from operating activities    | 17,318                    | 16,155                    |
| Cash flow from investing activities    | (15,341)                  | (41,562)                  |
| Cash flow from financing activities    | (9,307)                   | 6,548                     |
| Cash and cash equivalents, end of year | 69,125                    | 75,280                    |

## 2. Dividends

|                                  | Dividend per share (Yen)     |                              |  |
|----------------------------------|------------------------------|------------------------------|--|
|                                  | Year ended March 31,<br>2025 | Year ended March 31,<br>2026 | Year ending March 31,<br>2027 (Forecast) |
| First quarter end                | -                            | -                            | -  |
| Second quarter end               | -                            | -                            | -  |
| Third quarter end                | -                            | -                            | -  |
| Year end                         | 31.00                        | 31.00                        | 31.00                                    |
| Annual                           | 31.00                        | 31.00                        | 31.00                                    |
| Total dividend (Millions of yen) | 6,052                        | 5,979                        |  |
| Payout ratio (%)                 | 37.4                         | 51.2                         | 50.2                                     |
| Dividend on equity (%)           | 2.6                          | 2.4                          |  |

Note: The year-end dividend for FY2026 included a 100<sup>th</sup> anniversary commemorative dividend of ¥2.00

## 3. Forecast for the year ending March 31, 2027(April 1, 2026- March 31, 2027)

Note: Percentages indicated changes from the same period of the previous fiscal year.

|  | Six months ending<br>September 30, 2026 |      | Year ending March 31, 2027 |      |
|--|---|------|----------------------------|------|
|  | (Millions of yen)                       | (%)  | (Millions of yen)          | (%)  |
| Net sales  | 205,000                                 | 9.9  | 420,000                    | 6.5  |
| Operating income (loss)                                | 8,800                                   | 13.0 | 18,800                     | 10.1 |
| Ordinary income (loss)                                 | 7,800                                   | 5.6  | 17,000                     | 0.8  |
| Net income (loss) attributable to owners of the parent | 5,900                                   | 3.6  | 11,900                     | 1.7  |
| Net income per share (Yen)                             | 30.59                                   |      | 61.70                      |      |

## 4. Others

### (1) Material changes in subsidiaries during this period

(Changes in specified subsidiaries that caused a change in the scope of consolidation): Yes

Newly included: 1 (Name) Curio Bioscience, Inc.

### (2) Changes in accounting policies, accounting estimates and retrospective restatement

1) Changes based on revisions of accounting standard: No

2) Changes other than ones based on revisions of accounting standard: No

3) Changes in accounting estimates: No

4) Restatement: No

### (3) Number of outstanding shares (common stock)

1) Number of outstanding shares at year end (Treasury stocks are included):

As of March 31, 2026 197,252,043 shares

As of March 31, 2025 197,252,043 shares

2) Number of treasury stocks at year end:

As of March 31, 2026 4,378,256shares

As of March 31, 2025 1,996,109shares

3) Average number of outstanding shares:

Year ended March 31, 2026 193,277,739shares

Year ended March 31, 2025 195,256,213 shares

\* Review of the Japanese-language originals of the attached consolidated financial statements by certified public accountants or an audit firm: No

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

\* Comment regarding appropriate use of earnings forecasts and other special notes

Forward-looking statements contained in this document are determined by the Takara Holdings Inc. (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 “1. Overview of Financial Results for the ended March 31, 2026 Explanation of Consolidated Financial Forecasts and Other Forward-looking Statements” on page 5 of the attached document.

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○Supplement for the Consolidated Financial Statements

## 1. Overview of Financial Results

### (1) Overview of Financial Results for the Fiscal Year under Review

In the fiscal year under review, ended March 31, 2026, the global economy continued to recover gradually, despite signs of weakness in some regions. In Japan, the economy has been on the path of a gradual recovery against the backdrop of improvements in employment and income conditions. However, the outlook remains uncertain, primarily due to concerns over the impact of the situation in the Middle East and developments in U.S. trade policy.

Under these economic circumstances, the Group has upheld the vision of “Smiles in Life –Smiles are Life’s Treasure–” as part of its long-term management vision, TaKaRa Group Challenge for the 100th, aimed at 2025, which is the centennial of the Group’s foundation. The Group aspired to use its proprietary technology to produce great-tasting products and revolutionary biotechnology to safely and reliably deliver diverse value in the Washu, Japanese food, and life science categories and with all these efforts, we were determined to help people around the world enjoy lives full of smiles with a sense of well-being.

In addition, as we headed toward the conclusion of the TaKaRa Group Challenge for the 100th, the Takara Group Medium-Term Management Plan for 2025 adopted a management policy to increase enterprise value over the three-year period by accelerating investments in growth and high-priority fields, focusing on utilizing products and services to solve social issues and creating long-term and sustainable growth capital to raise our earning capacity, all while enhancing our value chain for solving social issues.

As a result, in the fiscal year under review, ended March 31, 2026, which was the final year of the Takara Group Medium-Term Management Plan for 2025, net sales increased 8.7% year on year to ¥394,316 million, gross profit increased 6.7% year on year to ¥127,696 million, and SG&A expenses increased 11.7% year on year to ¥110,619 million. Operating income decreased 17.1% year on year to ¥17,076 million, and ordinary income decreased 24.0% year on year to ¥16,861 million due to increases in interest expenses and foreign exchange losses. Net income attributable to owners of the parent decreased 27.8% year on year to ¥11,696 million mainly due to the recording of impairment losses on non-operating equipment for contract manufacturing, the partial reversal of deferred tax assets, despite an increase in extraordinary income mainly due to the recording of gain on sale of investment securities.

Results by business segment were as follows.

#### [Takara Shuzo]

Takara Shuzo sought to improve profit margins by acquiring new customers and increasing the sales composition ratio of its key brands through advertising campaigns centered on *Sho Chiku Bai Shirakabegura MIO* and *Takara Shochu Highball*, as well as through renewing *Takara Karakuchi Zero Ball* and launching new flavors for the growing non-alcoholic market. We also focused on strengthening our high-profit margin food seasonings (dashi), targeting the expanding ready-to-eat meals market. Takara Shuzo has been continuing efforts, including thorough quality management, to ensure the safety and security of its products, as well as remaining committed to Company-wide cost reductions.

The segment’s sales and other information are as shown below.

In shochu, sales decreased due to a decline in sales of large-volume products of ko-type shochu. In sake, sales of such products as *Sho Chiku Bai Ten* and *Sho Chiku Bai Subaru* increased, resulting in a rise in overall sales. In light-alcohol refreshers, sales of *Takara Shochu Highball* continued to increase, resulting in a rise in overall sales. In seasonings, sales increased due to an increase in sales of *Hon Mirin* and cooking sake, as well as an increase in sales of food seasonings. In raw alcohol, etc., sales decreased.

As a result, net sales for Takara Shuzo decreased 0.5% year on year to ¥119,122 million. Cost of sales decreased 0.9% year on year to ¥88,948 million, and gross profit increased 0.9% year on year to ¥30,174 million. As SG&A expenses decreased 1.8% year on year to ¥24,445 million due to decreases in advertising expenses, sales promotion expenses, etc., operating income increased 13.7% year on year to ¥5,729 million.

#### [Takara Shuzo International Group]

The Takara Shuzo International Group engages in the Overseas Alcoholic Beverages Business, which entails exports from Japan and the manufacture and sale of alcoholic beverages in overseas locations, and the Japanese Food Wholesale Business in overseas markets, through which it sells Japanese food ingredients to Japanese food restaurants, retailers, etc. outside Japan.

The segment’s sales and other information are as shown below.

In the Overseas Alcoholic Beverages Business, with regard to whiskey, sales of Blanton’s, the premium single-barrel

bourbon, remained brisk. Sales of Overseas Alcoholic Beverages Business grew as sales of the Washu increased as a result of efforts to foster products exclusively for overseas markets and to develop new products that capture local needs. In the Japanese Food Wholesale Business in overseas markets, we advanced the development and expansion of warehouse and logistics functions and business bases, primarily in the U.S. and Europe. Sales in the Japanese Food Wholesale Business in overseas markets also grew as a result mainly of progress in expanding our lineup of high value-added, differentiated products such as the Washu and seafood products and the contributions of a company newly added to the Group to the Group's business performance.

As a result, net sales for the Takara Shuzo International Group increased 19.4% year on year to ¥221,888 million. Cost of sales increased 18.2% year on year to ¥149,075 million, and gross profit increased 22.0% year on year to ¥72,812 million. SG&A expenses were up 22.0% year on year to ¥58,610 million, primarily due to an increase in personnel expenses and transportation costs, and operating income was up 21.8% year on year to ¥14,201 million.

#### **[Takara Bio Group]**

The Takara Bio Group is developing and manufacturing reagents/instruments that support research and development activities using biotechnology and providing them to biotech researchers, pharmaceutical companies, testing centers, and other industry customers around the world as such activities become increasingly widespread. Furthermore, we are developing CDMO business to support the development and manufacture of regenerative and cellular medicine and gene therapy. CDMO refers to the business of contracting out the processes of pharmaceuticals from formulation development to manufacturing, and the Takara Bio Group is focusing particularly on the field of gene therapy drugs, etc. In addition, in the gene therapy business, the Takara Bio Group is working to maximize the value of our proprietary platform technology for biologics discovery by manufacturing and selling manufacturing aids related to gene therapy, creating new modalities, and advancing new clinical development projects.

Net sales in this segment decreased across all reagents, instruments, CDMO and gene therapy categories.

As a result, net sales for the Takara Bio Group decreased 10.5% year on year to ¥40,318 million. Cost of sales increased 5.7% year on year to ¥20,057 million primarily due to changes in the sales mix, resulting in a 22.3% decrease in gross profit year on year to ¥20,261 million. SG&A expenses were up 4.8% year on year to ¥24,949 million primarily due to expenses relating to the acquisition of Curio Bioscience, Inc. and the recording of amortization of goodwill related thereto, and operating loss amounted to ¥4,688 million, compared to operating income of ¥2,263 million in the previous fiscal year.

#### **[Other]**

The Other segment includes the cargo transportation business, the wine import and sale business, and the real estate rental business. Net sales of the Other segment increased 4.3% year on year to ¥32,200 million primarily due to an increase in the import and sale of wine. Cost of sales increased 2.6% year on year to ¥26,816 million, and gross profit increased 14.0% year on year to ¥5,383 million. SG&A expenses rose 0.5% year on year to ¥2,025 million primarily due to an increase in sales promotion expenses, and operating income was up 24.0% year on year to ¥3,358 million.

**Breakdown of sales results by product category**

| Segment | Previous Fiscal Year<br>(From April 1, 2024<br>to March 31, 2025)            | Fiscal Year under Review<br>(From April 1, 2025<br>to March 31, 2026) | YoY<br>Comparison        |               |
|---------|--|---|--------------------------|---------------|
|         | Product category   | Amount (Millions of yen)  | Amount (Millions of yen) | (%)           |
|         | Shochu   | 31,801  | 29,626                   | (6.8)         |
|         | Sake   | 10,505  | 10,862                   | 3.4           |
|         | Light-alcohol refreshers   | 42,029  | 43,990                   | 4.7           |
|         | Other alcoholic beverages  | 5,068   | 4,490                    | (11.4)        |
|         | <i>Hon Mirin</i>   | 9,796   | 9,923                    | 1.3           |
|         | Other seasonings   | 9,230   | 9,472                    | 2.6           |
|         | Raw alcohol, etc.  | 11,231  | 10,758                   | (4.2)         |
|         | <b>Takara Shuzo</b>  | <b>119,663</b>  | <b>119,122</b>           | <b>(0.5)</b>  |
|         | Overseas Alcoholic<br>Beverages Business                                     | 23,533  | 28,502                   | 21.1          |
|         | Japanese Food<br>Wholesales Business in<br>overseas markets                  | 164,768   | 195,944                  | 18.9          |
|         | Other  | 8,352   | 2,137                    | (74.4)        |
|         | Elimination of intra-Group<br>transaction on consolidation                   | (10,851)  | (4,695)                  | —             |
|         | <b>Takara Shuzo International Group</b>                                      | <b>185,803</b>  | <b>221,888</b>           | <b>19.4</b>   |
|         | Reagents   | 31,995  | 29,197                   | (8.7)         |
|         | Instruments  | 1,172   | 896                      | (23.5)        |
|         | CDMO   | 8,113   | 7,291                    | (10.1)        |
|         | Gene therapy   | 3,757   | 2,932                    | (22.0)        |
|         | <b>Takara Bio Group</b>  | <b>45,039</b>   | <b>40,318</b>            | <b>(10.5)</b> |
|         | <b>Reported segment total</b>  | <b>350,506</b>  | <b>381,330</b>           | <b>8.8</b>    |
|         | Other  | 30,867  | 32,200                   | 4.3           |
|         | <b>Segment total</b>   | <b>381,374</b>  | <b>413,530</b>           | <b>8.4</b>    |
|         | Sales not allocated to<br>business segments and<br>intersegment transactions | (18,680)  | (19,214)                 | —             |
|         | <b>Total</b>   | <b>362,693</b>  | <b>394,316</b>           | <b>8.7</b>    |

Note: Amounts include alcohol tax.

## **(2) Overview of Financial Position for the Fiscal Year under Review**

### **(Assets)**

At the end of the fiscal year under review, current assets totaled ¥249,314 million, an increase of ¥3,880 million compared with that at the end of the previous fiscal year. This was primarily due to increases in electronically recorded monetary claims-operating of ¥3,320 million and merchandise and finished goods of ¥9,869 million, despite a decrease in cash and deposits of ¥10,111 million.

Noncurrent assets were ¥264,486 million, an increase of ¥32,332 million compared with that at the end of the previous fiscal year. This was primarily due to increases in property, plant and equipment of ¥9,457 million, mainly due to an increase in construction in progress, intangible assets of ¥18,706 million, mainly due to the acquisition of Curio Bioscience, Inc., and investments and other assets of ¥4,168 million, mainly due to an increase in the market valuation of investment securities.

As a result, total assets were ¥513,801 million, an increase of ¥36,213 million compared with that at the end of the previous fiscal year.

### **(Liabilities)**

At the end of the fiscal year under review, current liabilities totaled ¥82,037 million, an increase of ¥8,617 million compared with that at the end of the previous fiscal year. This was primarily due to increases in notes and accounts payable-trade of ¥2,712 million, current portion of bonds of ¥5,000 million, and other current liabilities of ¥5,736 million, despite a decrease in short-term loans payable of ¥5,900 million.

Noncurrent liabilities were ¥120,826 million, an increase of ¥17,561 million compared with that at the end of the previous fiscal year. This was primarily due to increases of ¥9,741 million in long-term loans payable, ¥3,586 million in deferred tax liabilities, and ¥8,274 million in other noncurrent liabilities mainly due to the recognition of contingent consideration caused by the acquisition of Curio Bioscience, Inc., despite a decrease of ¥5,000 million in bonds payable due to a transfer to current liabilities.

As a result, total liabilities were ¥202,863 million, an increase of ¥26,179 million compared with that at the end of the previous fiscal year.

### **(Net Assets)**

At the end of the fiscal year under review, total net assets were ¥310,937 million, an increase of ¥10,034 million compared with that at the end of the previous fiscal year. This was primarily due to increases in shareholders' equity of ¥2,643 million, mainly due to an increase in retained earnings, and accumulated other comprehensive income of ¥11,468 million, mainly due to increases in valuation difference on available-for-sale securities and foreign currency translation adjustment, despite a decrease in noncontrolling interests of ¥4,077 million.

As a result, the equity ratio totaled 50.5%, compared with 51.3% at the end of the previous fiscal year.

## **(3) Overview of Cash Flows for the Fiscal Year under Review**

Net cash provided by operating activities increased ¥1,162 million year on year to ¥17,318 million primarily due to income before income taxes of ¥18,270 million, depreciation and amortization of ¥12,225 million, impairment losses of ¥4,008 million, amortization of goodwill of ¥3,129 million, gain on sale of investment securities of ¥6,538 million, an increase in inventories of ¥6,297 million, and income taxes paid of ¥8,861 million.

Net cash used in investing activities resulted in expenditure of ¥15,341 million, a decrease in expenditure of ¥26,221 million compared with that of the previous fiscal year primarily due to payments into time deposits of ¥8,370 million, proceeds from withdrawal of time deposits of ¥12,403 million, purchase of property, plant and equipment and intangible assets of ¥22,167 million, proceeds from sale of investment securities of ¥7,974 million, and purchase of shares of, and investments made in, subsidiaries resulting in change in scope of consolidation of ¥6,416 million.

Net cash used in financing activities totaled ¥9,307 million (compared to net cash provided totaling ¥6,548 million in the previous fiscal year), primarily due to proceeds from long-term borrowings of ¥9,951 million, repayments of long-term borrowings of ¥5,608 million, purchase of treasury stock of ¥3,000 million, cash dividends paid of ¥6,054 million, and payment for the settlement of contingent consideration of ¥1,496 million.

As a result, cash and cash equivalents at fiscal year-end, including effect of exchange rate change on cash and cash equivalents, stood at ¥69,125 million, down ¥6,154 million from the previous fiscal year-end.

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

In the fiscal year ending March 31, 2027, although there have been increases in costs for containers and packaging and for Genryomai (a rice variety used for making sake), Takara Shuzo expects to increase profits through increases in gross profit achieved by implementing cost reduction measures and as a result of changes in the sales mix, in spite of an increase in SG&A expenses.

Takara Shuzo International Group expects to see an overall increase in profits, despite a decline in profits from the Overseas Alcoholic Beverages Business. This is due to the growing popularity of Japanese food overseas, which is encouraging the Japanese Food Wholesale Business in overseas markets to further cultivate existing sales channels and diversify its sales channels, while also implementing measures to reduce the ratio of SG&A expenses.

The Takara Bio Group regards early improvement in profitability as its top priority and expects to reduce its losses by implementing structural reforms, including the discontinuation of its in-house clinical development project for gene therapy, withdrawal from GMP cell processing services, and reductions in fixed costs such as personnel expenses.

Therefore, for the following fiscal year, the year ending March 31, 2027, the Group is forecasting net sales of ¥420,000 million, operating income of ¥18,800 million, ordinary income of ¥17,000 million, and net income attributable to owners of the parent of ¥11,900 million, which represents an increase in both sales and profits. The details of the consolidated results forecasts and the results forecasts for each segment are described on pages 10/15-13/15 in “Supplement for the Consolidated Financial Statements.”

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

The Takara Group has a policy to prepare the Consolidated Financial Statements in accordance with the Japanese GAAP for the time being, taking into consideration comparability of the Consolidated Financial Statements across periods and companies.

As regards the application of the International Financial Reporting Standards, the Takara Group will take appropriate actions, taking into account the situations in Japan and other countries.

### 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 assets                                    |                     |                     |
| Cash and deposits                                 | 83,302              | 73,191              |
| Notes and accounts receivable-trade               | 65,689              | 66,621              |
| Electronically recorded monetary claims-operating | 7,629               | 10,949              |
| Merchandise and finished goods                    | 72,795              | 82,664              |
| Work in process                                   | 1,727               | 2,077               |
| Raw materials and supplies                        | 7,811               | 6,788               |
| Other   | 7,217               | 7,916               |
| Allowance for doubtful accounts                   | (739)               | (895)               |
| Total current assets                              | 245,433             | 249,314             |
| Noncurrent assets                                 |                     |                     |
| Property, plant and equipment                     |                     |                     |
| Buildings and structures                          | 87,203              | 90,431              |
| Accumulated depreciation                          | (45,797)            | (48,622)            |
| Buildings and structures, net                     | 41,406              | 41,809              |
| Machinery, equipment and vehicles                 | 95,031              | 92,273              |
| Accumulated depreciation                          | (78,042)            | (75,488)            |
| Machinery, equipment and vehicles, net            | 16,988              | 16,785              |
| Land  | 23,804              | 23,345              |
| Lease assets                                      | 1,286               | 1,314               |
| Accumulated depreciation                          | (692)               | (754)               |
| Lease assets, net                                 | 594                 | 560                 |
| Construction in progress                          | 22,139              | 28,514              |
| Other   | 42,289              | 48,854              |
| Accumulated depreciation                          | (23,611)            | (26,800)            |
| Other, net  | 18,677              | 22,054              |
| Total property, plant and equipment               | 123,610             | 133,068             |
| Intangible assets                                 |                     |                     |
| Goodwill  | 25,283              | 30,457              |
| Other   | 16,378              | 29,911              |
| Total intangible assets                           | 41,662              | 60,369              |
| Investments and other assets                      |                     |                     |
| Investment securities                             | 34,467              | 39,591              |
| Net defined benefit asset                         | 1,558               | 1,789               |
| Deferred tax assets                               | 2,132               | 1,483               |
| Operating lease right-of-use assets               | 25,487              | 25,225              |
| Other   | 3,297               | 3,020               |
| Allowance for doubtful accounts                   | (60)                | (61)                |
| Total investments and other assets                | 66,880              | 71,049              |
| Total noncurrent assets                           | 232,154             | 264,486             |
| Total assets                                      | 477,587             | 513,801             |

(Millions of Yen)

|   | As of Mar. 31, 2025 | As of Mar. 31, 2026 |
|---|---------------------|---------------------|
| <b>Liabilities</b>                                    |                     |                     |
| Current liabilities                                   |                     |                     |
| Notes and accounts payable-trade                      | 24,067              | 26,779              |
| Short-term loans payable                              | 12,315              | 6,414               |
| Current portion of bonds                              | –                   | 5,000               |
| Income taxes payable                                  | 2,742               | 4,004               |
| Provision for bonuses                                 | 3,438               | 3,245               |
| Other   | 30,856              | 36,592              |
| <b>Total current liabilities</b>                      | <b>73,419</b>       | <b>82,037</b>       |
| Noncurrent liabilities                                |                     |                     |
| Bonds payable   | 15,000              | 10,000              |
| Long-term loans payable                               | 30,689              | 40,431              |
| Lease obligations                                     | 7,596               | 9,296               |
| Deferred tax liabilities                              | 9,276               | 12,862              |
| Net defined benefit liability                         | 8,345               | 8,020               |
| Long-term operating lease liabilities                 | 25,991              | 25,576              |
| Other   | 6,364               | 14,638              |
| <b>Total noncurrent liabilities</b>                   | <b>103,264</b>      | <b>120,826</b>      |
| <b>Total liabilities</b>                              | <b>176,683</b>      | <b>202,863</b>      |
| Net assets  |                     |                     |
| Shareholders' equity                                  |                     |                     |
| Capital stock   | 13,226              | 13,226              |
| Capital surplus                                       | 2,804               | 2,804               |
| Retained earnings                                     | 180,449             | 186,093             |
| Treasury stock  | (2,103)             | (5,103)             |
| <b>Total shareholders' equity</b>                     | <b>194,376</b>      | <b>197,019</b>      |
| Accumulated other comprehensive income                |                     |                     |
| Valuation difference on available-for-sale securities | 16,513              | 21,373              |
| Deferred gains or losses on hedges                    | (4)                 | (2)                 |
| Foreign currency translation adjustment               | 34,204              | 40,741              |
| Remeasurements of defined benefit plans               | 138                 | 206                 |
| <b>Total accumulated other comprehensive income</b>   | <b>50,851</b>       | <b>62,319</b>       |
| Noncontrolling interests                              | 55,675              | 51,597              |
| <b>Total net assets</b>                               | <b>300,903</b>      | <b>310,937</b>      |
| <b>Total liabilities and net assets</b>               | <b>477,587</b>      | <b>513,801</b>      |

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income****(Consolidated Statements of Income)**

(Millions of Yen)

|   | FY2025<br>(Apr. 1, 2024 –<br>Mar. 31, 2025) | FY2026<br>(Apr. 1, 2025 –<br>Mar. 31, 2026) |
|---|---|---|
| Net sales   | 362,693                                     | 394,316                                     |
| Cost of sales   | 243,045                                     | 266,620                                     |
| Gross profit  | 119,647                                     | 127,696                                     |
| Selling, general and administrative expenses                  | 99,050                                      | 110,619                                     |
| Operating income  | 20,597                                      | 17,076                                      |
| Nonoperating income   |   |   |
| Interest income   | 983   | 661   |
| Dividends income  | 944   | 932   |
| Other   | 1,049                                       | 807   |
| Total nonoperating income                                     | 2,977                                       | 2,400                                       |
| Nonoperating expenses   |   |   |
| Interest expenses   | 700   | 1,517                                       |
| Foreign exchange losses                                       | –   | 268   |
| Other   | 694   | 829   |
| Total nonoperating expenses                                   | 1,394                                       | 2,615                                       |
| Ordinary income   | 22,180                                      | 16,861                                      |
| Extraordinary income  |   |   |
| Gain on sale of investment securities                         | 3,696                                       | 6,594                                       |
| Other   | 1,038                                       | 798   |
| Total extraordinary income                                    | 4,734                                       | 7,392                                       |
| Extraordinary loss  |   |   |
| Loss on sale and retirement of noncurrent assets              | 538   | 815   |
| Impairment losses   | 377   | 4,008                                       |
| Other   | 182   | 1,160                                       |
| Total extraordinary losses                                    | 1,099                                       | 5,983                                       |
| Income before income taxes                                    | 25,815                                      | 18,270                                      |
| Income taxes-current  | 8,417                                       | 10,148                                      |
| Income taxes-deferred   | 75  | (356)                                       |
| Total income taxes  | 8,492                                       | 9,791                                       |
| Net income  | 17,322                                      | 8,478                                       |
| Net income (loss) attributable to the noncontrolling interest | 1,120                                       | (3,217)                                     |
| Net income attributable to owners of the parent               | 16,202                                      | 11,696                                      |

**(Consolidated Statements of Comprehensive Income)**

(Millions of Yen)

|  | FY2025<br>(Apr. 1, 2024 –<br>Mar. 31, 2025) | FY2026<br>(Apr. 1, 2025 –<br>Mar. 31, 2026) |
|--|---|---|
| Net income   | 17,322                                      | 8,478                                       |
| Other comprehensive income                                   |   |   |
| Valuation difference on available-for-sale securities        | (5,997)                                     | 4,859                                       |
| Deferred gains or losses on hedges                           | (7)   | 1   |
| Foreign currency translation adjustment                      | 14,447                                      | 6,624                                       |
| Remeasurements of defined benefit plans                      | 210   | 11  |
| Total other comprehensive income                             | 8,653                                       | 11,498                                      |
| Comprehensive income   | 25,976                                      | 19,976                                      |
| (Comprehensive income attributable to)                       |   |   |
| Comprehensive income attributable to owners of the parent    | 22,138                                      | 23,164                                      |
| Comprehensive income attributable to noncontrolling interest | 3,838                                       | (3,187)                                     |

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

FY2025 (Apr. 1, 2024 – Mar. 31, 2025)

(Millions of Yen)

|  | Shareholders' equity |                 |                   |                |                            |
|--|----------------------|-----------------|-------------------|----------------|----------------------------|
|  | Capital stock        | Capital surplus | Retained earnings | Treasury stock | Total shareholders' equity |
| Balance at the beginning of current period           | 13,226               | 2,716           | 169,909           | (2,103)        | 183,749                    |
| Changes of items during the period                   |                      |                 |                   |                |                            |
| Dividends from surplus                               |                      |                 | (5,662)           |                | (5,662)                    |
| Net income   |                      |                 | 16,202            |                | 16,202                     |
| Purchase of treasury stock                           |                      |                 |                   | (0)            | (0)                        |
| Purchase of shares of consolidated subsidiaries      |                      | 87              |                   |                | 87                         |
| Net changes of items other than shareholders' equity |                      |                 |                   |                |                            |
| Total changes of items during the period             | –                    | 87              | 10,540            | (0)            | 10,627                     |
| Balance at the end of current period                 | 13,226               | 2,804           | 180,449           | (2,103)        | 194,376                    |

|  | Accumulated other comprehensive income                |                                    |   |   |  | Noncontrolling interests | Total net assets |
|--|---|------------------------------------|---|---|--|--------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                          |                  |
| Balance at the beginning of current period           | 22,511  | 3                                  | 22,389                                  | 12                                      | 44,915                                       | 51,799                   | 280,465          |
| Changes of items during the period                   |   |                                    |   |   |  |                          |                  |
| Dividends from surplus                               |   |                                    |   |   |  |                          | (5,662)          |
| Net income   |   |                                    |   |   |  |                          | 16,202           |
| Purchase of treasury stock                           |   |                                    |   |   |  |                          | (0)              |
| Purchase of shares of consolidated subsidiaries      |   |                                    |   |   |  |                          | 87               |
| Net changes of items other than shareholders' equity | (5,997)   | (7)                                | 11,814                                  | 126                                     | 5,935  | 3,875                    | 9,811            |
| Total changes of items during the period             | (5,997)   | (7)                                | 11,814                                  | 126                                     | 5,935  | 3,875                    | 20,438           |
| Balance at the end of current period                 | 16,513  | (4)                                | 34,204                                  | 138                                     | 50,851                                       | 55,675                   | 300,903          |

FY2026 (Apr. 1, 2025 – Mar. 31, 2026)

(Millions of Yen)

|  | Shareholders' equity |                 |                   |                |                            |
|--|----------------------|-----------------|-------------------|----------------|----------------------------|
|  | Capital stock        | Capital surplus | Retained earnings | Treasury stock | Total shareholders' equity |
| Balance at the beginning of current period           | 13,226               | 2,804           | 180,449           | (2,103)        | 194,376                    |
| Changes of items during the period                   |                      |                 |                   |                |                            |
| Dividends from surplus                               |                      |                 | (6,052)           |                | (6,052)                    |
| Net income   |                      |                 | 11,696            |                | 11,696                     |
| Purchase of treasury stock                           |                      |                 |                   | (3,000)        | (3,000)                    |
| Disposal of treasury stock                           |                      | 0               |                   | 0              | 0                          |
| Purchase of shares of consolidated subsidiaries      |                      | (0)             |                   |                | (0)                        |
| Net changes of items other than shareholders' equity |                      |                 |                   |                |                            |
| Total changes of items during the period             | –                    | (0)             | 5,643             | (2,999)        | 2,643                      |
| Balance at the end of current period                 | 13,226               | 2,804           | 186,093           | (5,103)        | 197,019                    |

|  | Accumulated other comprehensive income                |                                    |   |   |  | Noncontrolling interests | Total net assets |
|--|---|------------------------------------|---|---|--|--------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                          |                  |
| Balance at the beginning of current period           | 16,513  | (4)                                | 34,204                                  | 138                                     | 50,851                                       | 55,675                   | 300,903          |
| Changes of items during the period                   |   |                                    |   |   |  |                          |                  |
| Dividends from surplus                               |   |                                    |   |   |  |                          | (6,052)          |
| Net income   |   |                                    |   |   |  |                          | 11,696           |
| Purchase of treasury stock                           |   |                                    |   |   |  |                          | (3,000)          |
| Disposal of treasury stock                           |   |                                    |   |   |  |                          | 0                |
| Purchase of shares of consolidated subsidiaries      |   |                                    |   |   |  |                          | (0)              |
| Net changes of items other than shareholders' equity | 4,859   | 1                                  | 6,537                                   | 68                                      | 11,468                                       | (4,077)                  | 7,390            |
| Total changes of items during the period             | 4,859   | 1                                  | 6,537                                   | 68                                      | 11,468                                       | (4,077)                  | 10,034           |
| Balance at the end of current period                 | 21,373  | (2)                                | 40,741                                  | 206                                     | 62,319                                       | 51,597                   | 310,937          |

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

(Millions of Yen)

|  | FY2025<br>(Apr. 1, 2024 –<br>Mar. 31, 2025) | FY2026<br>(Apr. 1, 2025 –<br>Mar. 31, 2026) |
|--|---|---|
| <b>Net cash provided by (used in) operating activities</b>   |   |   |
| Income before income taxes   | 25,815                                      | 18,270                                      |
| Depreciation and amortization  | 10,347                                      | 12,225                                      |
| Impairment losses  | 377   | 4,008                                       |
| Amortization of goodwill   | 1,727                                       | 3,129                                       |
| Interest and dividends income  | (1,928)                                     | (1,593)                                     |
| Interest expenses  | 700   | 1,517                                       |
| Loss (gain) on sale and retirement of non-current assets   | (286)                                       | 91  |
| Loss (gain) on sale of investment securities   | (3,696)                                     | (6,538)                                     |
| Decrease (increase) in notes and accounts receivable-trade   | 714   | (2,971)                                     |
| Decrease (increase) in inventories   | (5,025)                                     | (6,297)                                     |
| Increase (decrease) in notes and accounts payable-trade  | (83)  | 1,932                                       |
| Increase (decrease) in accrued alcohol tax   | (3,590)                                     | 1,168                                       |
| Increase (decrease) in accrued consumption taxes   | 1,150                                       | 371   |
| Increase (decrease) in other current liabilities   | (3,526)                                     | 354   |
| Other, net   | (966)                                       | (107)                                       |
| Subtotal   | 21,730                                      | 25,561                                      |
| Interest and dividends income received   | 1,933                                       | 1,613                                       |
| Interest expenses paid   | (736)                                       | (995)                                       |
| Income taxes paid  | (6,771)                                     | (8,861)                                     |
| Net cash provided by (used in) operating activities  | 16,155                                      | 17,318                                      |
| <b>Net cash provided by (used in) investing activities</b>   |   |   |
| Payments into time deposits  | (6,967)                                     | (8,370)                                     |
| Proceeds from withdrawal of time deposits  | 4,345                                       | 12,403                                      |
| Purchase of property, plant and equipment and intangible assets  | (20,143)                                    | (22,167)                                    |
| Proceeds from sale of property, plant and equipment and intangible assets                                  | 765   | 1,530                                       |
| Proceeds from sale of investment securities  | 4,756                                       | 7,974                                       |
| Purchase of shares of unconsolidated subsidiaries  | (546)                                       | –   |
| Purchase of shares of, and investments made in, subsidiaries resulting in change in scope of consolidation | (23,299)                                    | (6,416)                                     |
| Subsidies received   | 90  | 349   |
| Other, net   | (565)                                       | (645)                                       |
| Net cash provided by (used in) investing activities  | (41,562)                                    | (15,341)                                    |
| <b>Net cash provided by (used in) financing activities</b>   |   |   |
| Net increase (decrease) in short-term borrowings   | (46)  | (844)                                       |
| Proceeds from long-term borrowings   | 25,100                                      | 9,951                                       |
| Repayments of long-term borrowings   | (5,801)                                     | (5,608)                                     |
| Redemption of bonds  | (5,000)                                     | –   |
| Purchase of treasury stock   | (0)   | (3,000)                                     |
| Cash dividends paid  | (5,659)                                     | (6,054)                                     |
| Dividends paid to noncontrolling interests   | (836)                                       | (893)                                       |
| Repayments of lease obligations  | (1,204)                                     | (1,347)                                     |
| Settlement of contingent consideration   | –   | (1,496)                                     |
| Other, net   | (2)   | (13)  |
| Net cash provided by (used in) financing activities  | 6,548                                       | (9,307)                                     |
| Effect of exchange rate change on cash and cash equivalents  | 3,954                                       | 1,125                                       |
| Net increase (decrease) in cash and cash equivalents   | (14,904)                                    | (6,204)                                     |
| Cash and cash equivalents at beginning of period   | 90,184                                      | 75,280                                      |
| Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries               | –   | 49  |
| Cash and cash equivalents at end of period   | 75,280                                      | 69,125                                      |

## **(5) Notes to Consolidated Financial Statements**

### **(Notes on Premise of Going Concern)**

No items to report.

### **(Notes on Segment Information, etc.)**

#### 1. Overview of Reported Segments

Reporting segments are the segments of the Takara Group for which financial information can be obtained. The Board of Directors, the top organization for decision making on Group management, examines such information to determine the allocation of management resources and evaluate the business performance on a regular basis.

The Group consists of the corporate groups centered on the operating companies Takara Shuzo Co., Ltd., Takara Shuzo International Co., Ltd. and Takara Bio Inc.; other businesses; and the Company, which manages the whole group as the holding company. All operating companies develop comprehensive business strategies, covering both domestic and overseas operations, for the goods, products and services that they offer, and work to expand their business operations. Accordingly, the Group has defined three reported segments based on the content of goods, products and services, while taking into consideration the scope of managerial responsibility and the capacity to evaluate business performance. These three reported segments are Takara Shuzo, the Takara Shuzo International Group, and the Takara Bio Group.

Takara Shuzo primarily engages in the manufacture and sale of alcoholic beverages and seasonings in Japan. The Takara Shuzo International Group engages in the export of alcoholic beverages from Japan, the manufacture and sale of alcoholic beverages at overseas locations, and the Japanese Food Wholesale Business in overseas markets. The Takara Bio Group engages in development of basic technologies for bio drug discovery through the business of reagents and instruments as well as CDMO services.

#### 2. Calculation method for net sales, income or loss, assets, and other items of each reported segment

The accounting treatment of reported business segments is generally the same as that explained in “Basis of Presentation of Consolidated Financial Statements.”

The figures for the income (loss) of reported segments are based on operating income (loss). Intersegment income is based on the prevailing market price.

3. Net sales, Income (Loss), Assets and Other items by Reported Segment  
Previous Fiscal Year (From April 1, 2024, to March 31, 2025)

(Millions of yen)

|  | Reported Segment |   |                     |          | Other<br>(Note: 1) | Total   | Adjustment<br>(Note: 2) | Amount<br>recognized<br>in<br>consolidated<br>financial<br>statements<br>(Note: 3) |
|--|------------------|---|---------------------|----------|--------------------|---------|-------------------------|--|
|  | Takara<br>Shuzo  | Takara<br>Shuzo<br>International<br>Group | Takara Bio<br>Group | Subtotal |                    |         |                         |  |
| Net sales  |                  |   |                     |          |                    |         |                         |  |
| External customers   | 118,774          | 185,434                                   | 45,038              | 349,247  | 13,446             | 362,693 | —                       | 362,693  |
| Intersegment   | 889              | 368                                       | 1                   | 1,259    | 17,421             | 18,680  | (18,680)                | —  |
| Total  | 119,663          | 185,803                                   | 45,039              | 350,506  | 30,867             | 381,374 | (18,680)                | 362,693  |
| Segment income (loss)  | 5,037            | 11,655                                    | 2,263               | 18,956   | 2,708              | 21,664  | (1,067)                 | 20,597   |
| Segment assets   | 88,037           | 200,324                                   | 125,334             | 413,696  | 20,674             | 434,371 | 43,215                  | 477,587  |
| Other items  |                  |   |                     |          |                    |         |                         |  |
| Depreciation and<br>amortization   | 2,773            | 3,520                                     | 3,611               | 9,905    | 200                | 10,106  | 241                     | 10,347   |
| Amortization of goodwill   | —                | 1,036                                     | 690                 | 1,727    | —                  | 1,727   | —                       | 1,727  |
| Investment in equity-<br>method affiliates   | —                | —   | —                   | —        | —                  | —       | 1,842                   | 1,842  |
| Increase in total fixed<br>assets, property, plant and<br>equipment and intangible<br>assets | 4,135            | 4,451                                     | 10,106              | 18,692   | 878                | 19,570  | 1,212                   | 20,783   |

Notes: 1. Other includes business segments that are not part of reported segments, such as the cargo transportation business, the wine import and sale business, and the real estate rental business.

2. Details of adjustment amounts are as follows.

(1) Segment income (loss) comprises intersegment eliminations of ¥(5) million and loss of the Company not allocated to business segments of ¥(1,061) million.

(2) Segment assets include assets of the Company not allocated to business segments of ¥89,889 million and other adjustment (principally intersegment eliminations) of ¥(46,673) million. Assets attributed to the Company include surplus funds and long-term investment assets.

(3) Depreciation and amortization primarily comprises depreciation and amortization recognized by the Company.

(4) Investment in equity-method affiliates comprises investments in equity-method affiliates not allocated to business segments.

(5) Increase in total fixed assets, property, plant and equipment and intangible assets is primarily the increase recorded by the Company.

3. Segment income (loss) has been adjusted to the operating income of consolidated financial statements.

Fiscal Year under Review (From April 1, 2025, to March 31, 2026)

(Millions of yen)

|  | Reported Segment |   |                     |          | Other<br>(Note: 1) | Total   | Adjustment<br>(Note: 2) | Amount<br>recognized<br>in<br>consolidated<br>financial<br>statements<br>(Note: 3) |
|--|------------------|---|---------------------|----------|--------------------|---------|-------------------------|--|
|  | Takara<br>Shuzo  | Takara<br>Shuzo<br>International<br>Group | Takara Bio<br>Group | Subtotal |                    |         |                         |  |
| Net sales  |                  |   |                     |          |                    |         |                         |  |
| External customers   | 118,032          | 221,549                                   | 40,317              | 379,899  | 14,416             | 394,316 | —                       | 394,316  |
| Intersegment   | 1,090            | 339                                       | 1                   | 1,431    | 17,783             | 19,214  | (19,214)                | —  |
| Total  | 119,122          | 221,888                                   | 40,318              | 381,330  | 32,200             | 413,530 | (19,214)                | 394,316  |
| Segment income (loss)  | 5,729            | 14,201                                    | (4,688)             | 15,243   | 3,358              | 18,601  | (1,524)                 | 17,076   |
| Segment assets   | 94,044           | 219,327                                   | 133,658             | 447,030  | 22,871             | 469,902 | 43,898                  | 513,801  |
| Other items  |                  |   |                     |          |                    |         |                         |  |
| Depreciation and<br>amortization   | 3,029            | 4,672                                     | 4,136               | 11,839   | 188                | 12,028  | 197                     | 12,225   |
| Amortization of goodwill   | —                | 2,112                                     | 1,017               | 3,129    | —                  | 3,129   | —                       | 3,129  |
| Investment in equity-<br>method affiliates   | —                | —   | —                   | —        | —                  | —       | 1,912                   | 1,912  |
| Increase in total fixed<br>assets, property, plant and<br>equipment and intangible<br>assets | 4,198            | 4,869                                     | 12,500              | 21,568   | 190                | 21,759  | 2,741                   | 24,500   |

Notes: 1. Other includes business segments that are not part of reported segments, such as the cargo transportation business, the wine import and sale business, and the real estate rental business.

2. Details of adjustment amounts are as follows.

(1) Segment income (loss) comprises intersegment eliminations of ¥(155) million and loss of the Company not allocated to business segments of ¥(1,368) million.

(2) Segment assets include assets of the Company not allocated to business segments of ¥95,364 million and other adjustment (principally intersegment eliminations) of ¥(51,465) million. Assets attributed to the Company include surplus funds and long-term investment assets.

(3) Depreciation and amortization primarily comprises depreciation and amortization recognized by the Company.

(4) Investment in equity-method affiliates comprises investments in equity-method affiliates not allocated to business segments.

(5) Increase in total fixed assets, property, plant and equipment and intangible assets is primarily the increase recorded by the Company.

3. Segment income (loss) has been adjusted to the operating income of consolidated financial statements.

**(Notes on Business Combination)**

Business combination by acquisition

Takara Bio USA Holdings Inc. (“TBUSH”), a wholly owned subsidiary of Takara Bio Inc., which is a consolidated subsidiary of the Company, entered into a definitive acquisition agreement with the representative shareholders of Curio Bioscience, Inc. (“Curio”) on January 15, 2025 (local U.S. time), upon which they acquired shares in Curio, thereby making it a subsidiary.

1. Overview of business combination

(1) Name and business of the acquired company

|                                       |   |
|---------------------------------------|---|
| Name of the acquired company          | Curio Bioscience, Inc.  |
| Description of the company’s business | Development, manufacturing, and sales of research reagents for spatial transcriptome analysis |

(2) Main reason for business combination

Takara Bio Group provides research reagents, scientific instruments and contract services to biotechnology researchers in academia and industry. In particular, the scale of sales in the US has expanded in recent years by focusing on product development and sales activities for next-generation sequencing (“NGS”) reagents. Technology in the NGS field is advancing rapidly, and the growth of the NGS market is expected to shift from simple NGS analysis to single cell analysis and even spatial transcriptome analysis (“spatial analysis”). Takara Bio Group is also developing its business in line with trends in the NGS market, with the launch of a single cell analysis system in 2017 and the start of contract analysis services for spatial analysis in 2023.

Curio is a pioneering company that develops advanced spatial analysis reagents and provides reagents for high-density, high-resolution spatial analysis using its innovative DNA-barcoded beads technology.

Takara Bio Group will create a high level of synergy by combining Curio’s advanced technology for spatial analysis with Takara Bio’s genetic engineering and genetic analysis technologies. Specifically, general reagents that are compatible with various single cell analysis methods will be developed as well as high-quality products by combining Curio’s products with Takara Bio Group’s products, and the contract services of spatial analysis using them will be expanded with differentiation from competing products and services.

(3) Date of business combination

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

(4) Legal form of business combination

Acquisition of shares with cash as consideration

(5) Name of the acquired company after the combination

The company name is unchanged after the business combination.

(6) Percentage of voting rights acquired

100%

(7) Main reason for deciding to acquire the company

TBUSH acquired the shares in the company with cash as consideration.

2. Period for financial results of the acquired company that are included in the consolidated financial statements

January 15, 2025 to December 31, 2025

3. Breakdown of the acquisition cost of the acquired company and consideration by type

|   |        |                 |
|---|--------|-----------------|
| Acquisition consideration                   | Cash   | \$40.9 million  |
| Contingent consideration (deferred portion) | (Note) | \$66.4 million  |
| Acquisition cost                            |        | \$107.4 million |

(Note) A contingent consideration agreement has been concluded, under which additional considerations up to a maximum total of \$150 million shall be paid upon completion of several development and sales milestones. The Group estimated the probability of attainment of the milestones and calculated considerations in terms of

present value, and consequently has recognized \$66.4 million as a deferred consideration for acquisition.

Of the amount of change in fair value related to contingent consideration, the amount due to the fluctuation of time value is recorded under “interest expenses,” and the amount due to the fluctuation of factors other than time value is recorded under “selling, general and administrative expenses.”

4. Details and amounts of major expenses relating to the acquisition

Compensation and service fees, etc. for advisory services \$4.3 million

5. Amount, source, amortization method and amortization period of goodwill generated

(1) The amount of goodwill generated

¥6,928 million (\$43.9 million)

(2) Source of goodwill

The main source is the future excess earnings power of Curio that is expected from its business operation going forward.

(3) Amortization method and amortization period

Straight-line method over 18 years

6. Amounts of assets received and amount of liabilities succeeded on date of business combination and a breakdown of their main components

|                        |                 |                   |
|------------------------|-----------------|-------------------|
| Current assets         | ¥278 million    | (\$1.7 million)   |
| Noncurrent assets      | ¥18,792 million | (\$119.2 million) |
| Total assets           | ¥19,070 million | (\$121.0 million) |
| Current liabilities    | ¥1,474 million  | (\$9.3 million)   |
| Noncurrent liabilities | ¥11,138 million | (\$70.6 million)  |
| Total liabilities      | ¥12,613 million | (\$80.0 million)  |

7. Amount allocated from acquisition costs to intangible assets other than goodwill and amortization period

| Type             | Amount                           | Amortization period |
|------------------|----------------------------------|---------------------|
| Technical assets | ¥11,755 million (\$74.6 million) | 18 years            |

8. Estimated financial impact on the consolidated statements of income for the current consolidated fiscal year under review were the business combination to be completed on the first day of the consolidated fiscal year, and the method for calculating such impact

This information is omitted due to its immateriality.

**(Notes on Per Share Information)**

|                      | Previous Fiscal Year<br>(From April 1, 2024,<br>to March 31, 2025) | Fiscal Year under Review<br>(From April 1, 2025,<br>to March 31, 2026) |
|----------------------|--|--|
| Net assets per share | ¥1,255.93  | ¥1,344.61  |
| Net income per share | ¥82.98   | ¥60.52   |

Notes: 1. Fully diluted net income per share is not presented since there were no potential shares.

2. The basis of calculation of net assets per share is as follows.

|  | Previous Fiscal Year<br>(As of March 31, 2025) | Fiscal Year under Review<br>(As of March 31, 2026) |
|--|--|--|
| Total net assets (¥ million)   | 300,903  | 310,937  |
| Amount deducted from total net assets (¥ million)  | 55,675   | 51,597   |
| (of which minority interests) (¥ million)  | (55,675)                                       | (51,597)   |
| Net assets at term-end related to shares of common stock (¥ million)                     | 245,228  | 259,339  |
| Shares of common stock at term-end used to calculate net assets per share (1,000 shares) | 195,255  | 192,873  |

3. The basis of calculation of net income per share and fully diluted net income per share is as follows.

|  | Previous Fiscal Year<br>(From April 1, 2024,<br>to March 31, 2025) | Fiscal Year under Review<br>(From April 1, 2025,<br>to March 31, 2026) |
|--|--|--|
| Net income attributable to owners of the parent<br>(¥ million)         | 16,202   | 11,696   |
| Amount not belonging to common shareholders<br>(¥ million)             | —  | —  |
| Net income related to shares of common stock<br>(¥ million)            | 16,202   | 11,696   |
| Average number of shares outstanding during the term<br>(1,000 shares) | 195,256  | 193,277  |

**(Notes on Significant Subsequent Events)**

(Tender offer and borrowing of funds for making Takara Bio Inc. a wholly owned subsidiary)

At a meeting of the Board of Directors held on February 13, 2026, the Company resolved to commence a tender offer for the common shares of its consolidated subsidiary, Takara Bio Inc. (the “Target Company”) (Securities Code: 4974, Prime Market of the Tokyo Stock Exchange), pursuant to the Financial Instruments and Exchange Act (the “Tender Offer”). As a result of conducting the Tender Offer during the period from February 16, 2026 to April 6, 2026, the total number of tendered share certificates, etc. on the closing date reached or exceeded the minimum number of shares to be purchased; therefore, the Tender Offer was successfully completed.

Furthermore, the Company plans to implement a series of procedures to make the Company the sole shareholder of the Target Company (the “Squeeze-Out Procedures”).

1. Purpose of the Tender Offer

By making Takara Bio Inc. a wholly owned subsidiary and promoting closer collaboration between the two companies, we believe we can advance initiatives such as “prompt implementation of earnings structure reforms,” “strengthening of new business development,” “expansion of Takara Bio’s business,” and “reduction of listing maintenance costs,” thereby creating synergistic effects.

2. Outline of the Target Company

|                                      |  |
|--------------------------------------|--|
| (1) Name                             | Takara Bio Inc.  |
| (2) Address                          | 7-4-38 Nojihigashi, Kusatsu-shi, Shiga-ken   |
| (3) Title and name of representative | President & CEO Tsuyoshi Miyamura  |
| (4) Description of business          | Manufacturing and sales of reagents and instruments; contract services business; and gene therapy business |
| (5) Capital                          | ¥14,965 million  |
| (6) Date of establishment            | April 1, 2002  |

3. Outline of the Tender Offer

|  |   |
|--|---|
| (1) Type of share certificates, etc. subject to purchase, etc. | Common stock                            |
| (2) Tender offer period  | From February 16, 2026 to April 6, 2026 |
| (3) Tender offer price   | ¥1,150 per common share                 |
| (4) Settlement commencement date                               | April 13, 2026                          |

4. Results of the Tender Offer

The Company intends to make the Target Company a wholly owned subsidiary through this Transaction, including the Tender Offer. Therefore, no upper limit was set on the number of shares to be purchased in this Tender Offer.

The Tender Offer was subject to the condition that, if the total number of tendered share certificates, etc. is less than the minimum number of shares to be purchased (6,927,000 shares), none of the tendered share certificates, etc. will be purchased. Since the total number of tendered share certificates, etc. was equal to or more than the minimum number of shares to be purchased, the Company purchased all of the tendered share certificates, etc.

|  |                   |
|--|-------------------|
| (1) Number of purchased share certificates, etc.                     | 31,733,101 shares |
| (2) Ownership ratio of share certificates, etc. after purchase, etc. | 87.27%            |
| (3) Total purchase price   | ¥36,493 million   |

## 5. Method of fund raising

At a meeting of the Board of Directors held on February 13, 2026, the Company resolved to enter into a term loan agreement with a commitment period as described below to raise the funds necessary for the Tender Offer and the Squeeze-Out Procedures, and the agreement was concluded on April 7, 2026.

- |                               |  |
|-------------------------------|--|
| (1) Lender                    | Mizuho Bank, Ltd.  |
| (2) Loan limit                | ¥50,000 million  |
| (3) Commitment period         | From April 10, 2026, until the date three months after the completion of the Squeeze-Out Procedures (up to October 13, 2026) |
| (4) Interest rate             | TIBOR + Spread   |
| (5) Repayment deadline        | April 10, 2027   |
| (6) Collateral and guarantees | None   |

Pursuant to this agreement, the Company took out a loan of ¥36,500 million for the Tender Offer on April 10, 2026.

## 6. Policy after the Tender Offer and future outlook

There have been no changes from the content set forth in the “Notice Regarding Commencement of the Tender Offer for Shares of Takara Bio Inc. (Securities Code: 4974)” published by the Company on February 13, 2026.

### (Acquisition of treasury stocks)

At a meeting of the Board of Directors held on May 13, 2026, the Company resolved to acquire treasury stock of the Company pursuant to the provisions of Article 156 of the Companies Act as applied by replacing phrases therein pursuant to Article 165, Paragraph 3 of the Companies Act.

#### 1. Reason for acquisition of treasury stocks

The Company will acquire treasury stock for the purposes of implementing shareholder returns and to enable the execution of a flexible capital policy that can respond to changes in the business environment.

#### 2. Details of matters pertaining to acquisition of treasury stocks

- |   |  |
|---|--|
| (1) Class of shares to be acquired        | Common stock of the Company  |
| (2) Total number of shares to be acquired | 1,900,000 (upper limit)  |
|   | (Ratio relative to total number of outstanding shares (excluding treasury stock): 0.99%) |
| (3) Total acquisition price of shares     | ¥3,000,000,000 (upper limit)   |
| (4) Acquisition period                    | May 15, 2026 to June 30, 2026  |
| (5) Method of acquisition                 | Market purchase on the Tokyo Stock Exchange  |