

# Financial Results for the Third Quarter Ended December 31, 2024

## TAKARA BIO INC.

February 13, 2025

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.

### Consolidated Financial Results for the 3<sup>rd</sup> Quarter Ended December 31, 2024: Operating Profit

(¥m)	FY2025	Y/Y	Factors behind changes in Operating profit (¥m)*
<b>Net sales</b>	<b>29,282</b>	<b>▲452</b> <b>▲1.5%</b>	Lower unit sales volume ▲1,305 Difference in sales composition ▲2,132
<b>Gross profit</b>	<b>16,369</b>	<b>▲1,671</b> <b>▲9.3%</b>	Effect of foreign exchange rate fluctuations +1,766
<b>SG&amp;A expenses</b>	<b>17,843</b>	<b>+138</b> <b>+0.8%</b>	<b>Decrease in gross profit ▲1,671</b>
<b>Operating loss</b>	<b>▲1,473</b>	<b>▲1,810</b> <b>-</b>	Controlling R&D expenses +1,000 Reduction of personnel and other expenses ▲1,138
<b>R&amp;D expenses</b>	<b>5,118</b>	<b>▲1,000</b> <b>▲16.4%</b>	<b>Increase in SG&amp;A expenses ▲138</b>
			<b>Decrease in operating profit ▲1,810</b>

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¥m: millions of yen  
FY2025: from Apr. 1, 2024 to Mar. 31, 2025

\* Increased factors of income are shown in "+" and  
decrease factors in "▲"

## Consolidated Financial Results for the 3<sup>rd</sup> Quarter Ended December 31, 2024: Sales of Reagents by Region

(¥m)	Net sales	Y/Y	For exchange	Ratio (Exchange excluded)
Japan	4,393	▲912	-	▲17.2%
U.S.	9,962	+652	+868	▲2.3%
Europe	2,456	▲205	+224	▲16.2%
China	4,163	+294	+271	+0.6%
Korea	882	▲82	+44	▲13.2%
India	565	+84	+43	+8.6%
<b>Total</b>	<b>22,424</b>	<b>▲169</b>	<b>+1,453</b>	<b>▲7.2%</b>

### Y/Y (local currency basis)

<Japan> Remained the same level as the previous fiscal year, excluding the impact of COVID reagents in the previous fiscal year

<U.S.> Sales of products and OEM products for academia were firm, while sales of products for LDT/ industry were down.

<Europe> Sales of products for academia and products for industry decreased

<China> Sales increased due to global measures such as pricing policies.

<Korea> Significant decline in sales due to the impact of a reduction in the government's R&D budget

<India> Sales increased due to global measures such as local production.

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## Consolidated Financial Results for the 3<sup>rd</sup> Quarter Ended December 31, 2024: Sales of Instruments, CDMO and Gene Therapy

(¥m)	Net sales	Y/Y
Instruments	644	+6 +1.0%
CDMO	3,496	▲872 ▲20.0%
Regenerative medicine	1,508	▲1,231 ▲45.0%
Gene analysis / testing & others	1,988	+359 +22.1%
Gene Therapy	2,716	+583 +27.3%

### Y/Y

#### Instruments:

Sales of PCR and single-cell analysis instruments increased in Japan, but sales in the U.S. and Europe decreased. Remained the same level as the previous fiscal year

#### Regenerative medicine:

Significant decrease in sales due to the impact of changes in development policies by clients for the area of cell processing

#### Gene analysis / testing & others:

Sales increased due to contracts on whole-genome sequencing analysis and the launch of new services in single-cell analysis

#### Gene Therapy:

Sales of RetroNectin® in the U.S. and Europe increased

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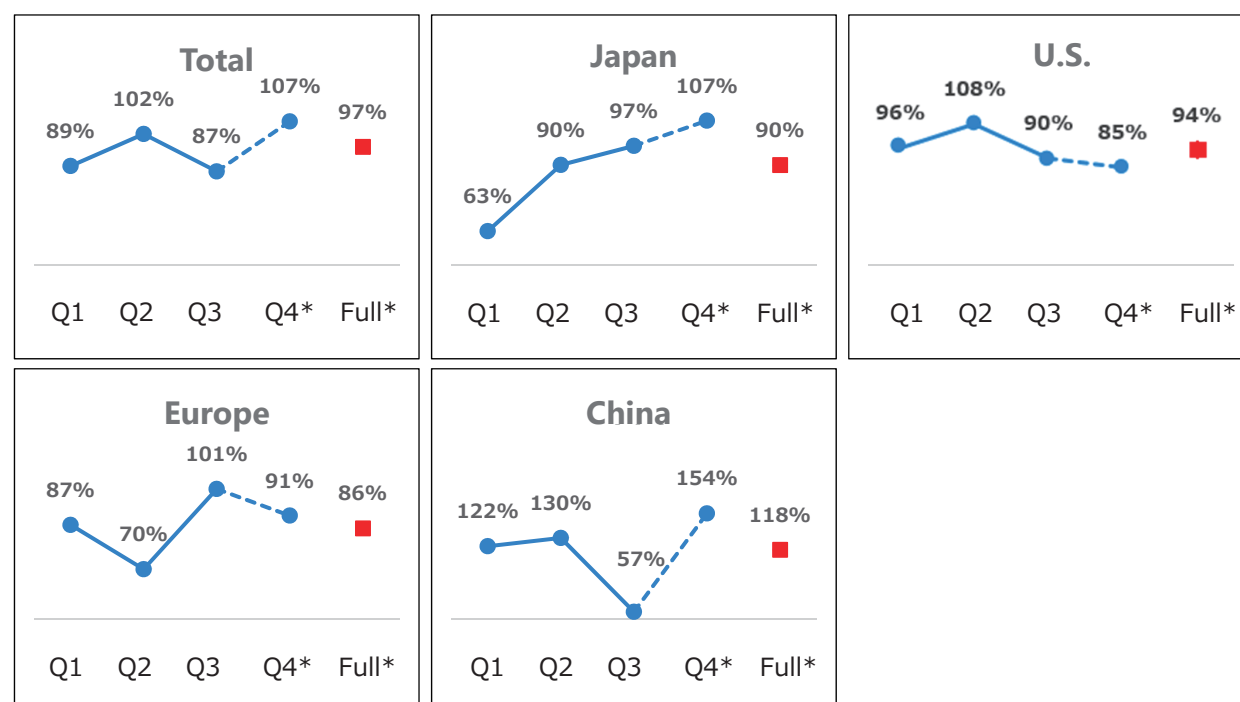
## Consolidated Financial Forecasts for the Year Ending March 31, 2025 (Revised): Sales of Reagents by Region - 1

¥m)	Full-year forecast (Revised)	Y/Y			Comparison with May 10 forecasts		
		Change	For exchange	Ratio (Exchange excluded)	Change	For exchange	Ratio (Exchange excluded)
Japan	6,575	▲769	–	▲10.5%	▲413	–	▲5.9%
U.S.	12,876	+231	+936	▲5.6%	▲679	+992	▲12.3%
Europe	3,413	▲269	+255	▲14.2%	▲464	+235	▲18.0%
China	7,262	+1,477	+417	+18.3%	▲40	+493	▲7.3%
Korea	1,171	▲150	+36	▲14.2%	▲254	+65	▲22.4%
India	770	+144	+46	+15.6%	▲45	+46	▲11.3%
Total	32,070	+664	+1,693	▲3.3%	▲1,898	+1,833	▲11.0%

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## Consolidated Financial Forecasts for the Year Ending March 31, 2025 (Revised): Sales of Reagents by Region - 2 Quarterly Trends by Major Region (Local Currency Basis, Y/Y)



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\* Forecasts



## Consolidated Financial Forecasts for the Year Ending March 31, 2025 (Revised): Sales of Instruments, CDMO and Gene Therapy

(¥m)	Full-year forecast (Revised)	Y/Y	Comparison with May 10 forecasts
<b>Instruments</b>	<b>1,177</b>	<b>+284 +31.8%</b>	<b>▲ 343 ▲ 22.6%</b>
<b>CDMO</b>	<b>8,529</b>	<b>+531 +6.6%</b>	<b>▲ 1,470 ▲ 14.7%</b>
<b>Regenerative   medicine</b>	<b>4,345</b>	<b>+118 +2.8%</b>	<b>▲ 1,269 ▲ 22.6%</b>
<b>Gene   analysis/   testing &amp;   others</b>	<b>4,184</b>	<b>+412 +10.9%</b>	<b>▲ 201 ▲ 4.6%</b>
<b>Gene Therapy</b>	<b>3,723</b>	<b>+514 +16.0%</b>	<b>+ 313 +9.2%</b>

### Comparison with May 10 forecasts

#### Instruments:

Sales of dPCR instruments in Japan, and sales of single-cell analysis-related instruments in the U.S. and Europe are expected to fall short of target.

#### Regenerative medicine:

Vector production and quality testing are expected to remain steady, but the negative impact of cell processing is expected to be significant and to fall short of target.

#### Gene analysis / testing & others:

New services related to single-cell analysis and others, are expected to exceed the budgeted amount, but the impact of the significant decline in WGS contract prices is expected to be significant, and the results are expected to be unachieved.

#### Gene Therapy:

RetroNectin®, ancillary materials for the manufacturing gene therapy products, expected to exceed forecast.

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## Consolidated Financial Forecasts for the Year Ending March 31, 2025 (Revised)

(¥m)	Full-year forecast (Revised)	Y/Y	Comparison with May 10 forecasts
<b>Net sales</b>	<b>45,500</b>	<b>+1,994 +4.6%</b>	<b>▲ 3,400 ▲ 7.0%</b>
<b>Gross profit</b>	<b>27,081</b>	<b>+173 +0.6%</b>	<b>▲ 2,516 ▲ 8.5%</b>
<b>SG&amp;A expensed</b>	<b>24,081</b>	<b>+176 +0.7%</b>	<b>▲ 516 ▲ 2.1%</b>
<b>Operating profit</b>	<b>3,000</b>	<b>▲ 3 ▲ 0.1%</b>	<b>▲ 2,000 ▲ 40.0%</b>
<b>R&amp;D expenses</b>	<b>6,997</b>	<b>▲ 1,326 ▲ 15.9%</b>	<b>▲ 202 ▲ 2.8%</b>

### Operating profit by region Breakdown of changes from May 10 forecast

May 10 forecast	Operating profit	5,000
	Japan	▲ 40
	U.S.	▲ 1,242
	Europe	▲ 522
	China	▲ 34
	Korea	▲ 67
	India	+7
	Consolidation adjustment	▲ 100
Revised forecast	Operating profit	3,000

(¥m)

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## Performance by Subsidiaries (3<sup>rd</sup> Quarter Actual, Full-year Forecast [Revised])

	3 <sup>rd</sup> quarter Actual		Full-year forecast Revised	
	Net sales	Operating profit	Net sales	Operating profit
(¥m)				
Takara Bio (Non-consolidated)	15,854	▲1,454	26,119	711
Takara Bio Europe (Consolidated)	3,233	▲369	4,536	▲391
Takara Biotechnology (Dalian)	2,858	260	4,205	484
Takara Biomedical (Beijing)	5,050	453	8,478	875
Takara Korea Biomedical	990	155	1,428	215
DSS Takara India	600	62	820	93
Takara Bio USA	12,518	655	17,143	1,108

## Exchange Rate

	FY2024	FY2025	FY2024	FY2025
	3 <sup>rd</sup> quarter	3 <sup>rd</sup> quarter	Full-year	Full-year
(Unit: Yen)	Actual	Actual	Actual	Forecast
US dollar	138.24	151.45	140.66	151.69
Euro	149.76	164.54	152.10	164.04
Yuan	19.62	20.99	19.82	21.03
100 Won	10.62	11.19	10.77	11.12
Rupee	1.68	1.82	1.70	1.81
Pound	172.17	193.30	175.03	193.83

# Forward-looking Statements

Statements in this news release, other than those based on historical fact, concerning the current plans, prospects, strategies and expectations of the Company and its Group represent forecasts of future results. While such statements are based on the conclusions of management according to information available at the time of writing, they reflect many assumptions and opinions derived from information that includes major risks and uncertainties. Actual results may vary significantly from these forecasts due to various factors. Factors that could influence actual results include, but are not limited to, economic conditions, especially trends in consumer spending, as well as exchange rate fluctuations, changes in laws and government systems, pressure from competitors' prices and product strategies, decline in selling power of the Company's existing and new products, disruptions to production, violations of our intellectual property rights, rapid advances in technology and unfavorable verdicts in major litigation.

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