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January 15, 2025

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Prime Market)
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Notice Concerning Acquisition of Shares of Curio Bioscience, Inc. (to Make It a Subsidiary)

Takara Bio USA Holdings, Inc. (TBUSH), a wholly-owned subsidiary of Takara Bio Inc., has today decided to acquire the shares of Curio Bioscience, Inc., a company based in the US, and has entered into a definitive agreement on the acquisition.

1. Reasons for acquisition of shares

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 Bioscience 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 differentiating from competing products and services.

Takara Bio Group will continue to contribute to people's health by providing products and services based on innovative technologies in the medical and life sciences fields.

2. Overview of the subsidiary (Curio Bioscience, Inc.) subject to change

(1)	Name	Curio Bioscience, Inc.		
(2)	Location	4030 Fabian Way, Palo Alto, CA 94303 United States		
(3)	Job title and name of representative	Stephen Fodor, Co-founder & CEO		
(4)	Description of business	Development, Manufacturing, and Sales of Research Reagents for Spatial Analysis		
(5)	Share capital	4,492 Thousand Dollars (705 Million yen) (*1)		
(6)	Date of establishment	January 29, 2021		
(7)	Major shareholders and ownership ratios	One Individual Shareholder 28.17%, Others		
(8)	Relationship between the Company and said company	Capital relationship	Not Applicable	
		Personnel relationship	Not Applicable	
		Business relationship	Not Applicable	
(9)	Consolidated operating results and consolidated financial positions of said company for the last three years (*1)			
	As of/ Fiscal year ended	December 31, 2021	December 31, 2022	December 31, 2023
	Consolidated net assets	1,821 Thousand Dollars 286 Million yen	455 Thousand Dollars 71 Million yen	△7,660 Thousand Dollars △1,202 Million yen
	Consolidated total assets	2,081 Thousand Dollars 326 Million yen	1,828 Thousand Dollars 287 Million yen	6,584 Thousand Dollars 1,033 Million yen
	Consolidated net sales	— —	1,859 Thousand Dollars 292 Million yen	4,163 Thousand Dollars 653 Million yen
	Consolidated operating profit	△863 Thousand Dollars △135 Million yen	△3,663 Thousand Dollars △575 Million yen	△5,767 Thousand Dollars △905 Million yen
	Profit attributable to owners of parent	△924 Thousand Dollars △145 Million yen	△3,896 Thousand Dollars △611 Million yen	△7,196 Thousand Dollars △1,129 Million yen

(*1) Conversion Rate: 1 Dollar = 157 Yen

3. Overview of the counterparty to the acquisition of shares

As a result of this implementation, we will acquire 100% of the total issued shares from the existing shareholders of Curio. However, the details will remain undisclosed. Additionally, there are no capital, personnel, or business relationships between our company and Curio. And it is not a related party of the Company.

4. Acquisition costs, and ratio of voting rights held before and after acquisition

(1)	Ratio of voting rights held before the change	0%
(2)	Acquisition costs	40.5 million dollars (6,358 million yen) upon signing of the agreement of acquisition. (*2)
(3)	Ratio of voting rights held after the change	100% (planned) (*3)

(*2) In addition to the above acquisition price, the additional payment up to a total of 150 million dollars (23,550 million yen) will be made upon achievement of multiple development and sales milestones.

(*3) The Share Acquisition will be carried out through the merger of the special purpose company established by TBUSH for the Share Acquisition into Curio, with Curio as the surviving company.

5. Timetable

(1)	Date of conclusion of the agreement	January 15, 2025
(2)	Date of commencement of share transfer	January 15, 2025

6. Future outlook

The impact of this transaction on the Company's consolidated financial results for the fiscal year ending March 31, 2025 is expected to be minimal. If the need for new disclosure arises in the future, we will promptly make an announcement.

(Reference)

1. Overview of TBUSH

(1)	Name	Takara Bio USA Holdings, Inc.
(2)	Location	2560 Orchard Parkway, San Jose, CA 95131 USA
(3)	Job title and name of representative	Chairman Tsuyoshi Miyamura
(4)	Description of business	Subsidiary Management
(5)	Date of establishment	July, 2005

2. Consolidated financial results forecasts for the current fiscal year (released on March 31, 2025) and actual consolidated results for the previous fiscal year

	Consolidated net sales (million yen)	Consolidated operating profit (million yen)	Consolidated ordinary profit (million yen)	Profit attributable to owners of parent (million yen)
Consolidated financial results forecasts for the current fiscal year (Fiscal year ending March 31, 2025)	48,900	5,000	5,200	3,400
Actual consolidated results for the previous fiscal year (Fiscal year ended March 31, 2024)	43,505	3,003	3,405	1,480

3. Glossary

(1) Next-Generation Sequencing (NGS)

The modern sequencing methods generate large amounts of sequence data from hundreds to hundreds of millions of nucleotides in parallel. Next-generation sequencing enables rapid and low-cost sequencing and is used in many genetic analysis situations.

(2) Single cell analysis

Genomic or RNA analysis of each individual cell. This technology allows individual cells to be analyzed rather than an average of a population of cells. It is used in the quality testing for gene & cell therapy products or to elucidate the mechanism of disease.

(3) Spatial transcriptome analysis (Spatial analysis)

This technology enables comprehensive analysis at high resolution, while retaining information about which cells in the tissue the gene was expressed in (positional information).

(4) DNA-barcoded beads

DNA with a specific sequence of bases (the 'barcode') is attached to tiny beads about 10µm in diameter. The barcode has a different pattern for each bead, making them distinguishable from each other. These beads can be used to determine the position of each cell in the tissue.