Consolidated Financial Statements for the First Quarter Ended June 30, 2026
FY2027 (April 1, 2026 - March 31, 2027) [UNAUDITED]

October 23 2026

Company name:	Takara Holdings Inc.
Stock exchange listings:	Tokyo Stock Exchange (PRIME section)
Code number:	2531
URL:	https://www.takara.co.jp/
Company representative:	Mutsumi Kimura, President
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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 three months ended June 30, 2026 (April 1, 2026- June 30, 2026)

(1) Consolidated operating results

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

	Three months ended June 30, 2026		Three months ended June 30, 2025	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Net sales	103,207	10.6	93,348	9.9
Operating income (loss)	2,949	(14.7)	3,456	(15.0)
Ordinary income (loss)	3,157	(9.1)	3,471	(27.5)
Net income (loss) attributable to owners of the parent	3,630	(12.4)	4,145	(19.8)
Net income (loss) per share (Yen)	18.87		21.31	
Fully diluted net income per share (Yen)	-		-	
Note: Comprehensive income (loss)	9,804	-	(4,239)	-

(2) Consolidated financial position

	As of June 30, 2026	As of March 31, 2026
	(Millions of yen)	(Millions of yen)
Total assets	535,691	513,801
Net assets	257,626	310,937
Equity ratio (%)	46.0	50.5
(Reference) Equity	246,240	259,339

2. Dividends

	Dividend per share (Yen)		
	Year ended March 31, 2026	Year ending March 31, 2027	Year ending March 31, 2027 (Forecast)
First quarter end	-	-	
Second quarter end	-		-
Third quarter end	-		-
Year end	31.00		31.00
Annual	31.00		31.00

Note: Correction of dividend forecast from the most recent dividend forecast: No

3. Forecast for the business results forecast for the first half of the fiscal year ending March 31, 2026 (from April 1, 2026, to September 30, 2026)

	Six months ending September 30, 2026	
	(Millions of yen)	(%)
Net sales	210,870	13.0
Operating income (loss)	13,112	68.4
Ordinary income (loss)	12,764	72.8
Net income (loss) attributable to owners of the parent	11,682	105.1
Net income per share (Yen)	60.87	

Note: Correction of financial forecast from the most recent financial forecast: Yes

4. Others

(1) Material changes in subsidiaries during this period
(Changes in specified subsidiaries that caused a change in the scope of consolidation): No

(2) Accounting procedures specific to quarterly consolidated financial statements : No

(3) 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

(4) Number of outstanding shares (common stock)
1) Number of outstanding shares at the end of each period (Treasury stocks are included):
As of June 30, 2026 : 197,252,043 shares
As of March 31, 2026 : 197,252,043 shares
2) Number of treasury stocks at the end of each period:
As of June 30, 2026 : 5,807,689 shares
As of March 31, 2026 : 4,378,256 shares
3) Average number of outstanding shares in each period
Three months ended June 30, 2026 : 192,405,860 shares
Three months ended June 30, 2025 : 194,493,856 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

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.

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1. Overview of Financial Results

(1) Overview of Financial Results for the Period under Review

In the three months ended June 30, 2026, net sales increased 10.6% year on year to ¥103,207 million due to increases at Takara Shuzo and the Takara Shuzo International Group, and gross profit increased 7.7% year on year to ¥33,264 million. SG&A expenses increased 10.5% year on year to ¥30,314 million mainly due to increases in transportation costs, personnel expenses, and administrative expenses, and operating income decreased 14.7% year on year to ¥2,949 million. Ordinary income decreased 9.1% year on year to ¥3,157 million, benefiting from increases in dividend income and exchange gains. Net income attributable to owners of the parent decreased 12.4% year on year to ¥3,630 million. This result was mainly due to business restructuring expenses —such as tender offer-related expenses and additional retirement benefits associated with a voluntary retirement program at Takara Bio Inc.—recorded under extraordinary loss, despite the recording of gain on sale of fixed assets and investment securities under extraordinary income. In addition, the figure was affected by the recording of deferred tax assets and other changes in income taxes.

Results by business segment were as follows.

[Takara Shuzo]

In the three months ended June 30, 2026, sales of shochu increased year on year mainly due to an increase in sales of 35% shochu for fruit liqueur, despite a decline in sales of large-volume products of ko-type shochu. Sales of sake increased mainly due to an increase in sales of *Sho Chiku Bai Ten*, and sales of light-alcohol refreshers increased mainly due to an increase in sales of *Takara Shochu Highball*. 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 increased 2.5% year on year to ¥30,245 million. Cost of sales increased 2.8% year on year to ¥22,747 million in line with the increase in net sales, and gross profit increased 1.4% year on year to ¥7,498 million. SG&A expenses decreased 5.8% year on year to ¥6,029 million due to a decrease in advertising expenses, etc. Operating income was up 47.5% year on year to ¥1,468 million.

[Takara Shuzo International Group]

In the three months ended June 30, 2026, net sales of the Overseas Alcoholic Beverages Business increased year on year due to an increase in sales of other alcoholic beverages driven by a continued growth in whiskey, despite a decline in sales of sake. Net sales of the Japanese Food Wholesale Business in overseas markets also increased primarily due to progress in expanding our lineup of high value-added, differentiated products such as Washu and seafood products, as well as the impact of price revisions.

As a result, net sales for the Takara Shuzo International Group increased 17.3% year on year to ¥60,334 million. Cost of sales increased 18.7% year on year to ¥40,482 million in line with the increase in net sales, and gross profit increased 14.5% year on year to ¥19,851 million. SG&A expenses were up 16.3% year on year to ¥15,914 million, primarily due to an increase in personnel expenses and transportation costs, and operating income was up 7.8% year on year to ¥3,937 million.

[Takara Bio Group]

In the three months ended June 30, 2026, sales of gene therapy increased year on year despite a decrease in sales of reagents, instruments, and CDMO.

As a result, net sales for the Takara Bio Group decreased 0.7% year on year to ¥9,204 million. Cost of sales increased 9.3% year on year to ¥4,657 million primarily due to changes in the sales mix. Gross profit decreased 9.1% year on year to ¥4,546 million. SG&A expenses were up 16.6% year on year to ¥7,930 million primarily due to an increase in contingent consideration (Note) at Takara Bio USA, Inc., and operating loss amounted to ¥3,384 million, compared to operating loss of ¥1,796 million in the three months ended June 30, 2025.

Note: In connection with the acquisition of shares in Curio Bioscience, Inc. in January 2025, we concluded a contingent consideration agreement under which a portion of the acquisition consideration shall be paid upon the attainment of specific development and sales targets for Spatial products. The present value of this contingent consideration has been recorded as a liability, based on an estimation of the probability of these targets being attained. This liability is subject to periodic review regarding the probability of attainment. Any differences resulting from such reviews are recognized as SG&A expenses.

[Other]

In the three months ended June 30, 2026, net sales of the Other segment increased 6.2% year on year to ¥8,331 million primarily due to an increase in the import and sale of wine. Cost of sales increased 5.8% year on year to ¥6,793 million, and

gross profit increased 8.1% year on year to ¥1,538 million. SG&A expenses rose 1.6% year on year to ¥506 million, and operating income was up 11.5% year on year to ¥1,032 million.

Breakdown of sales results by product category

Segment		Equivalent Period of Previous Fiscal Year (From April 1, 2025 to June 30, 2025)	Period under Review (From April 1, 2026 to June 30, 2026)	YoY Comparison
	Product category	Amount (Millions of yen)	Amount (Millions of yen)	(%)
	Shochu	8,093	8,161	0.8
	Sake	1,989	2,002	0.7
	Light-alcohol refreshers	10,646	11,496	8.0
	Other alcoholic beverages	1,065	1,164	9.3
	Hon Mirin	2,402	2,485	3.5
	Other seasonings	2,310	2,376	2.9
	Raw alcohol, etc.	3,014	2,559	(15.1)
Takara Shuzo		29,521	30,245	2.5
	Overseas Alcoholic Beverages Business	6,892	7,186	4.3
	Japanese Food Wholesale Business in overseas markets	45,218	53,779	18.9
	Other	193	413	113.8
	Elimination of intra-Group transaction on consolidation	(851)	(1,044)	―
Takara Shuzo International Group		51,453	60,334	17.3
	Reagents	6,986	6,922	(0.9)
	Instruments	173	120	(30.6)
	CDMO	1,178	651	(44.7)
	Gene therapy	927	1,509	62.7
Takara Bio Group		9,266	9,204	(0.7)
Reported segment total		90,240	99,784	10.6
Other		7,846	8,331	6.2
Segment total		98,087	108,116	10.2
Sales not allocated to business segments and intersegment transactions		(4,738)	(4,908)	―
Total		93,348	103,207	10.6

Note: Amounts include alcohol tax.

(2) Overview of Financial Position for the Period under Review

As of June 30, 2026, current assets were ¥263,037 million, an increase of ¥13,723 million compared with that at the end of the previous fiscal year. This was primarily due to increases in cash and deposits of ¥8,581 million, notes and accounts receivable-trade of ¥1,029 million, merchandise and finished goods of ¥1,222 million, and other current assets of ¥2,602 million. Noncurrent assets were ¥272,653 million, an increase of ¥8,166 million compared with that at the end of the previous fiscal year. This was primarily due to an increase in investments and other assets of ¥9,061 million, mainly due to an increase in investment securities driven by increased market valuation as well as other increases in investments and other assets, such as deferred tax assets.

As a result, total assets were ¥535,691 million, an increase of ¥21,890 million compared with that at the end of the previous fiscal year.

As of June 30, 2026, current liabilities were ¥162,681 million, an increase of ¥80,644 million compared with that at the end of the previous fiscal year. This was primarily due to increases in short-term loans payable of ¥49,761 million, current portion of bonds of ¥5,000 million, commercial papers of ¥4,000 million, and other current liabilities, such as accounts payable - other, of ¥18,948 million. Noncurrent liabilities were ¥115,383 million, a decrease of ¥5,442 million compared with that at the end of the previous fiscal year. This was primarily due to a decrease of ¥5,000 million in bonds payable due to a transfer to current liabilities.

As a result, total liabilities were ¥278,065 million, an increase of ¥75,202 million compared with that at the end of the previous fiscal year.

As of June 30, 2026, total net assets were ¥257,626 million, a decrease of ¥53,311 million compared with that at the end of the previous fiscal year. This was primarily due to decreases in capital surplus of ¥2,804 million, retained earnings of ¥14,001 million, and noncontrolling interests of ¥40,212 million, mainly due to accounting treatments associated with making Takara Bio Inc. a wholly-owned subsidiary, despite an increase in valuation difference on available-for-sale securities of ¥4,841 million.

As a result, the equity ratio totaled 46.0%, compared with 50.5% at the end of the previous fiscal year.

(3) Qualitative Information Regarding Consolidated Forecasts

In light of recent developments, the Company has revised the consolidated results forecasts for the six months ended September 30, 2026, which were published on May 13, 2026.

The forecast by business segment, compared with the previous forecast published on May 13, 2026, is as follows. For Takara Shuzo, net sales are expected to fall below the previous forecast due to weaker-than-expected demand ahead of the price revision implemented in October 2026. Although cost increases, including those attributable to foreign exchange fluctuations and containers and packaging, are expected, operating income is projected to exceed the previous forecast, primarily as a result of efforts to improve the efficiency of SG&A expenses.

For the Takara Shuzo International Group, net sales are expected to exceed the previous forecast in both the Overseas Alcoholic Beverages Business and Japanese Food Wholesale Business in overseas markets. Operating income is also expected to exceed the previous forecast owing to growth in gross profit resulting from price revisions in the Japanese Food Wholesale Business in overseas markets, as well as the recording of mutual tariff refunds and foreign exchange effects.

For the Takara Bio Group, net sales are expected to fall below the previous forecast, mainly due to lower-than-expected sales in the reagents business. Although mutual tariff refunds are expected to be recorded, gross profit is projected to fall below the previous forecast due to changes in product mix and other factors. However, SG&A expenses are expected to decrease as a result of the review of consideration based on the development and sales progress of Spatial products, and consequently the operating loss is expected to be smaller than previously forecast.

As a result, for the Group as a whole, net sales, operating income, ordinary income, and net income attributable to owners of the parent are all expected to exceed the previous forecasts.

For details of the earnings forecasts by business segment, please refer to “Supplement for the Consolidated Financial Statements for the First Quarter Ended June 30, 2026” (Page 8/8), disclosed today.

The consolidated results forecasts for the fiscal year ending March 31, 2027 are currently under review and are scheduled to be announced at the time of the announcement of the consolidated financial statements for the second quarter ended September 30, 2026, scheduled for November 10, 2026.

(Consolidated Results Forecasts for the six months ended September 30, 2026)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous forecast (A) (Announced on May 13, 2026)	(Millions of yen) 205,000	(Millions of yen) 8,800	(Millions of yen) 7,800	(Millions of yen) 5,900	(Yen) 30.59
Revised forecast (B)	210,870	13,112	12,764	11,682	60.87
Difference (B – A)	5,870	4,312	4,964	5,782	–
Difference (%)	2.9	49.0	63.6	98.0	–
Reference: Business results for previous fiscal year (For the six months ended September 30, 2025)	186,556	7,786	7,386	5,695	29.40

2. Consolidated Quarterly Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of Yen)

	As of Mar. 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	73,191	81,773
Notes and accounts receivable-trade	77,571	78,601
Merchandise and finished goods	82,664	83,887
Work in process	2,077	2,138
Raw materials and supplies	6,788	6,977
Other	7,916	10,519
Allowance for doubtful accounts	(895)	(859)
Total current assets	249,314	263,037
Noncurrent assets		
Property, plant and equipment	133,068	132,836
Intangible assets		
Goodwill	30,457	29,900
Other	29,911	29,806
Total intangible assets	60,369	59,706
Investments and other assets		
Investment securities	39,591	46,476
Other	31,518	33,694
Allowance for doubtful accounts	(61)	(61)
Total investments and other assets	71,049	80,110
Total noncurrent assets	264,486	272,653
Total assets	513,801	535,691

(Millions of Yen)

	As of Mar. 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable-trade	26,779	27,266
Short-term loans payable	6,414	56,175
Current portion of bonds	5,000	10,000
Commercial papers	–	4,000
Income taxes payable	4,004	3,236
Provision	3,633	6,850
Other	36,205	55,153
Total current liabilities	82,037	162,681
Noncurrent liabilities		
Bonds payable	10,000	5,000
Long-term loans payable	40,431	40,419
Net defined benefit liability	8,020	7,986
Other	62,374	61,977
Total noncurrent liabilities	120,826	115,383
Total liabilities	202,863	278,065
Net assets		
Shareholders' equity		
Capital stock	13,226	13,226
Capital surplus	2,804	–
Retained earnings	186,093	172,091
Treasury stock	(5,103)	(8,103)
Total shareholders' equity	197,019	177,214
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,373	26,215
Deferred gains or losses on hedges	(2)	(0)
Foreign currency translation adjustment	40,741	42,555
Remeasurements of defined benefit plans	206	255
Total accumulated other comprehensive income	62,319	69,025
Noncontrolling interests	51,597	11,385
Total net assets	310,937	257,626
Total liabilities and net assets	513,801	535,691

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

(Consolidated Statements of Income)

(Millions of Yen)

	FY2026 (Apr. 1, 2025 – June 30, 2025)	FY2027 (Apr. 1, 2026 – June 30, 2026)
Net sales	93,348	103,207
Cost of sales	62,450	69,943
Gross profit	30,898	33,264
Selling, general and administrative expenses	27,441	30,314
Operating income	3,456	2,949
Nonoperating income		
Dividends income	481	578
Other	391	556
Total nonoperating income	872	1,134
Nonoperating expenses		
Interest expenses	351	525
Foreign exchange losses	360	–
Commission expenses	–	250
Other	145	152
Total nonoperating expenses	857	927
Ordinary income	3,471	3,157
Extraordinary income		
Gain on sale of fixed assets	46	886
Gain on sale of investment securities	2,251	1,746
Other	53	–
Total extraordinary income	2,351	2,633
Extraordinary loss		
Business restructuring expenses	–	1,655
Tender offer-related expenses	–	804
Loss on extinguishment of tie-in shares	24	–
Other	22	130
Total extraordinary losses	46	2,590
Income before income taxes	5,776	3,199
Income taxes-current	2,966	3,307
Income taxes-deferred	(882)	(2,626)
Total income taxes	2,084	680
Net income	3,691	2,519
Net income (loss) attributable to the noncontrolling interest	(453)	(1,111)
Net income attributable to owners of the parent	4,145	3,630

(Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	FY2026 (Apr. 1, 2025 – June 30, 2025)	FY2027 (Apr. 1, 2026 – June 30, 2026)
Net income	3,691	2,519
Other comprehensive income		
Valuation difference on available-for-sale securities	(23)	4,841
Deferred gains or losses on hedges	5	2
Foreign currency translation adjustment	(7,920)	2,358
Remeasurements of defined benefit plans	6	82
Total other comprehensive income	(7,931)	7,285
Comprehensive income	(4,239)	9,804
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	(2,275)	10,336
Comprehensive income attributable to noncontrolling interest	(1,964)	(532)

(3) Notes to Consolidated Financial Statements

The consolidated quarterly financial statements have been prepared in accordance with Article 4, Paragraph 1 of Standards for Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. and corporate accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.

(Notes on Premise of Going Concern)

No items to report.

(Notes on Material Changes in Shareholders' Equity)

Additional acquisition of subsidiary shares

On April 13 and June 16, 2026, the Company acquired additional common stock of its consolidated subsidiary, Takara Bio Inc. As a result, capital surplus decreased by ¥14,442 million during the three months ended June 30, 2026.

Since this transaction and other factors caused the balance of capital surplus to become negative, the capital surplus was adjusted to zero, and the corresponding negative amount was deducted from retained earnings.

(Notes on Segment Information, etc.)

I. Equivalent Period of Previous Fiscal Year (From April 1, 2025 to June 30, 2025)

1. Net sales and Income (Loss) by Reported Segment

(Millions of yen)

	Reported segment				Other (Note: 1)	Total	Adjustment (Note: 2)	Amount recognized in consolidated quarterly statements of income (Note: 3)
	Takara Shuzo	Takara Shuzo International Group	Takara Bio Group	Subtotal				
Net sales								
External customers	29,149	51,326	9,266	89,742	3,606	93,348	–	93,348
Intersegment	371	126	0	498	4,240	4,738	(4,738)	–
Total	29,521	51,453	9,266	90,240	7,846	98,087	(4,738)	93,348
Segment income (loss)	995	3,651	(1,796)	2,850	925	3,776	(319)	3,456

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. The adjustment to segment income (loss) of ¥(319) million comprises intersegment eliminations of ¥(59) million and loss of the Company not allocated to business segments of ¥(259) million.

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

2. Information on Impairment Loss on Noncurrent Assets, Goodwill, etc. by Reportable Segment

(Significant change in the amount of goodwill)

In the Takara Bio Group segment, goodwill was recorded due to the acquisition of all outstanding shares of Curio Bioscience, Inc., which engages in the development, manufacturing, and sales of research reagents for spatial analysis. An increase in goodwill regarding this matter was ¥6,525 million for the three months ended June 30, 2026. The above amount is calculated provisionally because the allocation of the acquisition cost has yet to be completed.

II. Period under Review (From April 1, 2026 to June 30, 2026)

1. Net sales and Income (Loss) by Reported Segment

(Millions of yen)

	Reported segment				Other (Note: 1)	Total	Adjustment (Note: 2)	Amount recognized in consolidated quarterly statements of income (Note: 3)
	Takara Shuzo	Takara Shuzo International Group	Takara Bio Group	Subtotal				
Net sales								
External customers	29,892	60,172	9,204	99,268	3,939	103,207	–	103,207
Intersegment	353	162	0	516	4,392	4,908	(4,908)	–
Total	30,245	60,334	9,204	99,784	8,331	108,116	(4,908)	103,207
Segment income (loss)	1,468	3,937	(3,384)	2,022	1,032	3,054	(104)	2,949

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. The adjustment to segment income (loss) of ¥(104) million comprises intersegment eliminations of ¥41 million and loss of the Company not allocated to business segments of ¥(146) million.

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

(Notes on Consolidated Statements of Cash Flows)

Consolidated statements of cash flows pertaining to the three months ended June 30, 2026 have not been prepared. Depreciation and amortization (including amortization of intangible assets except for goodwill) and amortization of goodwill for the three months ended June 30, 2025 and 2026 are as shown below.

(Millions of Yen)

	FY2026 (Apr. 1, 2025 – June 30, 2025)	FY2027 (Apr. 1, 2026 – June 30, 2026)
Depreciation and amortization	2,949	3,163
Amortization of goodwill	781	796

(Notes on Business Combination)

Common control transactions, etc.

At a meeting of the Board of Directors held on February 13, 2026, the Company resolved to acquire the common shares of its consolidated subsidiary, Takara Bio Inc., through a tender offer pursuant to the Financial Instruments and Exchange Act. This tender offer was conducted during the period from February 16, 2026 to April 6, 2026.

Furthermore, at an extraordinary general meeting of shareholders held by Takara Bio Inc. on May 20, 2026, it was resolved to implement a share consolidation effective June 16, 2026, as part of a series of procedures to make the Company the sole shareholder of Takara Bio Inc. Regarding fractions of less than one share resulting from the share consolidation, the Company obtained court permission and acquired such fractional shares on June 26, 2026, pursuant to the provisions of Article 234, Paragraph 2 of the Companies Act, as applied mutatis mutandis under Article 235, Paragraph 2 of the same Act.

1. Overview of business combination

(1) Name and business of the company involved in the business combination

Name of the company involved	Takara Bio Inc.
Description of the company's business	Manufacturing and sales of reagents and instruments; contract services business; and gene therapy business

(2) Date of business combination

Acquisition via a tender offer	April 13, 2026 (deemed acquisition date: June 30, 2026)
Acquisition via a share consolidation	June 16, 2026 (deemed acquisition date: June 30, 2026)

(3) Legal form of business combination

Acquisition of shares with cash as consideration

(4) Name of the acquired company after the combination

The company name is unchanged after the business combination.

(5) Other matters concerning overview of transactions

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.

Ownership ratio of share certificates, etc. prior to the business combination	60.91%
Ownership ratio of share certificates, etc. after the tender offer	87.27%
Ownership ratio of share certificates, etc. after the share consolidation	100.00%

2. Overview of implemented accounting treatment

This transaction has been accounted for as a transaction with noncontrolling interests within the scope of transactions under common control in accordance with the “Accounting Standard for Business Combinations” (ASBJ Statement No.21, January 16, 2019) and the “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures, etc.” (ASBJ Guidance No.10, January 16, 2019).

3. Matters concerning additional acquisition of subsidiary shares

Breakdown of acquisition cost and consideration by type

Acquisition consideration	Cash	¥54,124 million
Acquisition cost		¥54,124 million

4. Matters concerning changes in the Company’s equity interest resulting from transactions with noncontrolling interests

(1) Principal factors for variations in capital surplus

Additional acquisition of subsidiary shares

(2) Amount of decrease in capital surplus resulting from transactions with noncontrolling interests

¥14,442 million

Independent Auditor's Report on Interim Review of Consolidated Quarterly Financial Statements

October 23, 2026

To the Board of Directors of Takara Holdings Inc.:

Deloitte Touche Tohmatsu LLC
Kyoto Office, Japan

Keiko Hishimoto
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Tomohito Kawano
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Auditor's Conclusion

We have reviewed the accompanying consolidated quarterly financial statements of Takara Holdings Inc. and its consolidated subsidiaries (collectively, the "Group"), which comprise the consolidated quarterly balance sheets as of June 30, 2026 (from April 1, 2026 to June 30, 2026) and the consolidated quarterly statements of income and the consolidated quarterly statements of comprehensive income for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026), and the related notes.

Based on our interim review, nothing has come to our attention that causes us to believe that the accompanying consolidated quarterly financial statements are not prepared, in all material respects, in accordance with Article 4, Paragraph 1 of Standards for Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. (the "Standards") and corporate accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.

Basis for Auditor's Conclusion

We conducted our interim review in accordance with interim review standards generally accepted in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Interim Review of the Consolidated Quarterly Financial Statements" section of our report. We are independent of the Group in accordance with the regulations regarding professional ethics required in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditor. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of Management, Audit & Supervisory Board Members, and the Audit & Supervisory Board for the Consolidated Quarterly Financial Statements

Management is responsible for the preparation and presentation of the consolidated quarterly financial statements in accordance with Article 4, Paragraph 1 of the Standards and corporate accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards. This includes the designing and operation of such internal controls as management determines is necessary to enable the preparation of consolidated quarterly financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated quarterly financial statements, management is responsible for assessing the Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern in accordance with Article 4, Paragraph 1 of the Standards and corporate accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the Directors' execution of duties relating to the design and operation of the Group's financial reporting process.

Auditor's Responsibilities for the Interim Review of the Consolidated Quarterly Financial Statements

Our responsibility is to express a conclusion on these consolidated quarterly financial statements from an independent standpoint based on our interim review in our report on the interim review of consolidated quarterly financial statements.

As part of our interim review in accordance with interim review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other review procedures. An interim review is substantially less in scope than an audit for the fiscal year conducted in accordance with auditing standards generally accepted in Japan.
- Conclude, based on the evidence obtained, whether nothing has come to our attention that causes us to believe that the consolidated quarterly financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards and corporate accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards, if a material uncertainty relating to events or conditions comes to our attention that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report on the interim review of consolidated quarterly financial statements to the related notes in the consolidated quarterly financial statements or, if such notes are inadequate, to express a qualified conclusion or an adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our report on the interim review of consolidated quarterly financial statements; however, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether nothing has come to our attention that causes us to believe that the presentation and notes in the consolidated quarterly financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards and corporate accounting principles generally accepted in Japan for interim consolidated financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.
- Obtain sufficient evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated quarterly financial statements. We are responsible for the direction, supervision and review of the audit work performed for the interim review of the consolidated quarterly financial statements. We remain solely responsible for our review conclusion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the interim review, and significant review findings that we identify during our review.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence in Japan, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to the acceptable levels.

Interest

Our firm and its engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Note to the Reader of Independent Auditor's Report on Review

The Independent Auditor's Report herein is an English translation of the Japanese Independent Auditor's Report on Review for the convenience of the reader.

Notes: 1. The original of the above report on review is stored separately by the Company disclosing the Consolidated Quarterly Financial Results (Kessan Tanshin).
2. XBRL data and HTML data are not subject to the interim review.