Summary of Financial Report for the 1st Quarter of FY2024 (Non-Consolidated)

July 30, 2024

Listed Company Name : Japan Tissue Engineering Co., Ltd. https://www.jpte.co.jp
Listed Securities Exchange : Tokyo Growth Stock Code 7774
Representative : Ken-ichiro Hata, President and CEO
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(Rounding down to the nearest million yen)

1. Results for the 1st Quarter of FY2024 (April 1, 2024 to June 30, 2024)

(1) Business Results (% indicate increase / decrease on previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
1st quarter of FY2024	442	-33.2	-193	—	-192	—	-211	—
1st quarter of FY2023	662	56.6	14	—	14	—	13	—

	Net income per share	Net income per share, diluted
	yen	yen
1st quarter of FY2024	-5.20	—
1st quarter of FY2023	0.34	—

(2) Financial Condition

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
1st quarter of FY2024	6,630	5,869	88.5
FY2023	6,988	6,080	87.0

Note: Shareholders' equity 1st quarter of FY2024: 5,869 million yen FY2023: 6,080 million yen

2. Cash Dividends

	Dividends per share				
	Q1 end	Q2 end	Q3 end	Term end	Annual
	yen	yen	yen	yen	yen
FY2023	—	0.00	—	0.00	0.00
FY2024	—				
FY2024 (Forecast)		0.00	—	0.00	0.00

3. Forecast for FY2024 (April 1, 2024 to March 31, 2025)

(% indicate increase/decrease on previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
FY2024	2,944	17.1	120	-17.0	123	-16.3	87	-39.2	2.14

Note: Revisions to forecast this quarter No

*Disclaimer regarding appropriate use of forecasts and related points of note
The above-mentioned forecasts are based on the information available on the date of release of these materials and on various assumptions made on the date of release of these materials including uncertain factors and may affect future earnings. Actual operating results may differ significantly from those forecasts as a consequence of various factors.

Japan Tissue Engineering Co., Ltd.
Non-consolidated Financial Statements for 1st Quarter of FY2024
(April 1, 2024 - June 30, 2024)

(1) Non-consolidated Balance Sheets

(Thousands of yen)

	FY2023 As of March 31, 2024	FY2024 Q1 As of June 30, 2024
Assets		
Current assets		
Cash and deposits	4,266,344	4,296,396
Notes and accounts receivable - trade	526,295	288,140
Electronically recorded monetary claims - operating	82,362	22,670
Work in process	55,679	72,871
Raw materials and supplies	172,886	167,603
Other	235,711	153,621
Total current assets	5,339,279	5,001,304
Non-current assets		
Property, plant and equipment		
Buildings, net	677,485	660,121
Land	582,770	582,770
Other, net	250,624	255,643
Total property, plant and equipment	1,510,880	1,498,535
Intangible assets	102,527	99,000
Investments and other assets	36,086	31,400
Total non-current assets	1,649,495	1,628,936
Total assets	6,988,774	6,630,240
Liabilities		
Current liabilities		
Accounts payable - trade	19,573	17,815
Electronically recorded obligations - operating	64,014	62,646
Income taxes payable	35,443	10,895
Provision for bonuses	161,792	63,909
Other	592,708	570,868
Total current liabilities	873,531	726,135
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	34,900	34,900
Total non-current liabilities	34,900	34,900
Total liabilities	908,431	761,035
Net assets		
Shareholders' equity		
Share capital	4,958,763	4,958,763
Capital surplus	2,788,763	2,788,763
Retained earnings	-1,666,875	-1,878,013
Treasury shares	-308	-308
Total shareholders' equity	6,080,342	5,869,205
Total net assets	6,080,342	5,869,205
Total liabilities and net assets	6,988,774	6,630,240

(2) Non-consolidated Statements of Income

(Thousands of yen)

	FY2023 Q1 April 1 - June 30, 2023	FY2024 Q1 April 1 - June 30, 2024
Net sales	662,134	442,310
Cost of sales	201,781	195,218
Gross profit	460,353	247,092
Selling, general and administrative expenses	446,141	440,347
Operating profit (loss)	14,212	-193,255
Non-operating income		
Interest and dividend income	190	225
Income from employee	240	237
Other	303	128
Total non-operating income	734	592
Non-operating expenses		
Foreign exchange losses	158	128
Other	0	77
Total non-operating expenses	158	206
Ordinary profit (loss)	14,788	-192,869
Profit (loss) before income taxes	14,788	-192,869
Income taxes - current	950	18,268
Total income taxes	950	18,268
Profit (loss)	13,837	-211,137

(3) Segment Information

I. FY2023 (April 1, 2023 – June 30, 2023)

(Thousands of yen)

	Reportable segments				Reconciling items	Per quarterly financial statements
	Regenerative Medicine Business	Custom Development and Manufacturing Business	Research and Development Support Business	Reportable segments		
Sales						
Revenues from external customers	340,300	268,114	53,719	662,134	—	662,134
Transactions with other segments	—	—	—	—	—	—
Net sales	340,300	268,114	53,719	662,134	—	662,134
Operating profit (loss)	5,654	212,127	11,869	229,652	-215,439	14,212

II. FY2024 (April 1, 2024 – June 30, 2024)

(Thousands of yen)

	Reportable segments				Reconciling items	Per quarterly financial statements
	Regenerative Medicine Business	Custom Development and Manufacturing Business	Research and Development Support Business	Reportable segments		
Sales						
Revenues from external customers	301,713	86,353	54,244	442,310	—	442,310
Transactions with other segments	—	—	—	—	—	—
Net sales	301,713	86,353	54,244	442,310	—	442,310
Operating profit (loss)	-12,783	41,188	14,463	42,868	-236,124	-193,255