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Non-consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

July 30, 2026

Company name: Japan Tissue Engineering Co., Ltd.
 Stock exchange listings: Tokyo Stock Exchange
 Securities code: 7774
 URL: <https://www.jpte.co.jp>
 Representative: Kazuto Yamada, President and CEO
 Contact: Akinobu Wakabayashi, Director, Corporate Officer, Head of Strategic Planning Office
 TEL: +81 533-66-2020
 Supplementary materials for financial summaries: Yes
 Financial results briefing: None

(Amounts of less than one million yen are rounded down.)

1. Non-consolidated Financial Results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Operating results

(% represents the change rate from the previous period)

	Net sales		Operating profit		Ordinary profit		Net income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Three months ended June 30, 2026	766	79.9	59	—	63	—	52	—
June 30, 2025	426	-3.6	-244	—	-241	—	-242	—
	Basic earnings per share		Diluted earnings per share					
	Yen		Yen					
Three months ended June 30, 2026	1.29		—					
June 30, 2025	-5.97		—					

(Reference) Investment profit (loss) on equity method Fiscal year ending March 2025 - million yen Fiscal year ended March 2024 - million yen

(2) Financial positions

	Total assets	Net assets	Equity to total assets ratio
As of	Million Yen	Million Yen	%
June 30, 2026	5,908	5,142	87.0
March 31, 2026	5,682	5,090	89.6

(Reference) Equity As of June 30, 2026: 5,142 million yen As of March 31, 2026: 5,090 million yen

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	0.00	—	0.00	0.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		0.00	—	0.00	0.00

3. Non-consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Fiscal year ending March 31, 2027	3,070	40.6	100	—	110	—	100	—	2.46

(Note1) Revisions to the earnings forecasts most recently announced : None

(Note2) Due to the nature of our business, which is significantly affected by external environmental factors and subject to fluctuations in performance, no earnings forecast has been provided for the cumulative second-quarter period of the fiscal year ending March 31, 2027.

* Notes

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements : None

(2) Changes in accounting policies, Changes in accounting estimates, Retrospective restatement

(i) Changes in accounting policies based on revisions of accounting standard: None

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates : None

(iv) Retrospective restatement : None

(3) Number of issued and outstanding shares (common stock)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	40,610,200 shares
As of March 31, 2026	40,610,200 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	250 shares
As of March 31, 2026	250 shares

(iii) Average number of shares outstanding during the period

Three months ended June 30, 2026	40,609,950 shares
Three months ended June 30, 2025	40,609,950 shares

* Financial results are not subject to audit by certified public accountants or audit firms.

※ Notes for using forecasted information and Others

(Notice Regarding Forward-Looking Statements)

The forward-looking statements, including performance forecasts, contained in this document are based on information currently available to the company and certain assumptions deemed reasonable. They are not intended as a promise of achievement by the company. Actual performance may differ significantly due to various factors.

Japan Tissue Engineering Co., Ltd.
Non-consolidated Financial Statements for 1st Quarter of FY2026
(April 1, 2026 – June 30, 2026)

(1) Non-consolidated Balance Sheets

(Thousands of yen)

	FY2025 As of March 31, 2026	FY2026 1Q As of June 30, 2026
Assets		
Current assets		
Cash and deposits	3,250,465	3,347,266
Accounts receivable - trade	512,669	661,213
Electronically recorded monetary claims - operating	33,918	27,716
Merchandise and finished goods	208	2,157
Work in process	20,284	25,328
Raw materials and supplies	214,705	216,222
Other	149,824	145,484
Total current assets	4,182,077	4,425,388
Non-current assets		
Property, plant and equipment		
Buildings, net	540,344	523,025
Land	582,770	582,770
Other, net	213,725	212,461
Total property, plant and equipment	1,336,840	1,318,257
Intangible assets	50,045	51,682
Investments and other assets	114,030	113,249
Total non-current assets	1,500,916	1,483,189
Total assets	5,682,993	5,908,578
Liabilities		
Current liabilities		
Accounts payable - trade	27,563	46,442
Electronically recorded obligations - operating	79,332	74,660
Income taxes payable	12,841	21,676
Provision for bonuses	124,236	60,449
Provision for bonuses for directors (and other officers)	449	-
Other	316,084	530,627
Total current liabilities	560,509	733,856
Non-current liabilities		
Provision for retirement benefits	2,200	2,200
Provision for retirement benefits for directors (and other officers)	30,000	30,000
Total non-current liabilities	32,200	32,200
Total liabilities	592,709	766,056
Net assets		
Shareholders' equity		
Share capital	3,997,673	3,997,673
Capital surplus	1,827,673	1,827,673
Retained earnings	-734,751	-682,513
Treasury shares	-311	-311
Total shareholders' equity	5,090,284	5,142,521
Total net assets	5,090,284	5,142,521
Total liabilities and net assets	5,682,993	5,908,578

(2) Non-consolidated Statements of Income

(Thousands of yen)

	FY2025 1Q Three months ended June 30, 2025	FY 2026 1Q Three months ended June 30, 2026
Net sales	426,371	766,845
Cost of sales	209,949	254,379
Gross profit	216,421	512,466
Selling, general and administrative expenses	460,813	453,263
Operating profit (loss)	-244,391	59,203
Non-operating income		
Interest and dividend income	2,466	3,176
Other	837	890
Total non-operating income	3,304	4,067
Non-operating expenses		
Foreign exchange losses	4	119
Consumption Tax Adjustment	119	101
Other	0	-
Total non-operating expenses	123	220
Ordinary profit (loss)	-241,210	63,050
Profit (loss) before income taxes	-241,210	63,050
Income taxes - current	1,178	10,812
Total income taxes	1,178	10,812
Profit (loss)	-242,389	52,237

(3) Segment Information

I. FY2025 (April 1, 2025 – June 30, 2025)

(Thousands of yen)

	Reportable segments				Reconciling items	Per quarterly financial statements
	Regenerative Medicine Business	Custom Development and Manufacturing Business	LabCyte Business	Reportable segments		
Sales						
Revenues from external customers	262,443	100,434	63,493	426,371	—	426,371
Transactions with other segments	—	—	—	—	—	—
Net sales	262,443	100,434	63,493	426,371	—	426,371
Operating profit	-35,795	50,673	18,304	33,182	-277,573	-244,391

II. FY2026 (April 1, 2026 – June 30, 2026)

(Thousands of yen)

	Reportable segments				Reconciling items	Per quarterly financial statements
	Regenerative Medicine Business	Custom Development and Manufacturing Business	LabCyte Business	Reportable segments		
Sales						
Revenues from external customers	603,095	94,977	68,772	766,845	—	766,845
Transactions with other segments	—	—	—	—	—	—
Net sales	603,095	94,977	68,772	766,845	—	766,845
Operating profit	240,580	45,431	14,471	300,483	-241,280	59,203