

## Summary of Financial Report for the 1<sup>st</sup> Quarter of FY2022 (Non-Consolidated)

July 27, 2022

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

### 1. Results for the 1<sup>st</sup> Quarter of FY2022 (April 1, 2022 to June 30, 2022)

(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	%
1 <sup>st</sup> quarter of FY2022	422	-11.6	-267	—	-267	—	-268	—
1 <sup>st</sup> quarter of FY2021	478	26.6	-129	—	-128	—	-129	—

	Net income per share	Net income per share, diluted
	yen	yen
1 <sup>st</sup> quarter of FY2022	-6.60	—
1 <sup>st</sup> quarter of FY2021	-3.19	—

### (2) Financial Condition

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
1 <sup>st</sup> quarter of FY2022	7,346	6,398	87.1
FY2021	7,598	6,666	87.7

Note: Shareholders' equity    1<sup>st</sup> quarter of FY2022: 6,398 million yen    FY2021: 6,666 million yen

### 2. Cash Dividends

	Dividends per share				
	Q1 end	Q2 end	Q3 end	Term end	Annual
	yen	yen	yen	yen	yen
FY2021	—	0.00	—	0.00	0.00
FY2022	—	—	—	—	—
FY2022 (Forecast)	—	0.00	—	0.00	0.00

Note: Revisions to cash dividends this quarter    No

### 3. Forecast for FY2022 (April 1, 2022 to March 31, 2023)

(% 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
FY2022	2,540	20.8	-389	—	-384	—	-388	—	-9.57

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 1<sup>st</sup> Quarter of FY2022**  
(April 1, 2022 - June 30, 2022)

(1) Non-consolidated Balance Sheets

(Thousands of yen)

	FY2021 As of March 31, 2022	FY2022 Q1 As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	4,933,319	4,755,355
Notes and accounts receivable - trade	496,493	417,700
Work in process	28,837	61,320
Raw materials and supplies	158,448	161,243
Other	328,837	317,263
Total current assets	5,945,936	5,712,883
Non-current assets		
Property, plant and equipment		
Buildings, net	813,664	796,158
Land	582,770	582,770
Other, net	217,320	218,152
Total property, plant and equipment	1,613,755	1,597,080
Intangible assets	36,267	34,656
Investments and other assets	2,195	1,995
Total non-current assets	1,652,219	1,633,733
Total assets	7,598,156	7,346,616
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	117,092	108,276
Income taxes payable	26,001	10,750
Provision for bonuses	126,668	64,394
Provision for bonuses for directors (and other officers)	3,643	—
Other	623,225	730,011
Total current liabilities	896,630	913,433
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	34,900	34,900
Other	133	—
Total non-current liabilities	35,033	34,900
Total liabilities	931,664	948,333
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,958,763	4,958,763
Capital surplus	2,788,763	2,788,763
Retained earnings	-1,080,727	-1,348,935
Treasury shares	-307	-307
Total shareholders' equity	6,666,491	6,398,283
Total net assets	6,666,491	6,398,283
Total liabilities and net assets	7,598,156	7,346,616

## (2) Non-consolidated Statements of Income

(Thousands of yen)

	<b>FY2021 Q1</b> April 1 - June 30, 2021	<b>FY2022 Q1</b> April 1 - June 30, 2022
Net sales	478,341	422,720
Cost of sales	174,358	185,427
Gross profit	303,983	237,293
Selling, general and administrative expenses	433,745	504,385
Operating loss	-129,762	-267,091
Non-operating income		
Interest and dividend income	600	287
Income from employee	235	241
Other	594	450
Total non-operating income	1,429	978
Non-operating expenses		
Foreign exchange losses	—	1,144
Other	—	0
Total non-operating expenses	—	1,144
Ordinary loss	-128,332	-267,257
Loss before income taxes	-128,332	-267,257
Income taxes - current	1,146	950
Total income taxes	1,146	950
Loss	-129,478	-268,208