

## Consolidated Financial Results for the First Quarter of the Year Ending December 31, 2024

[Japanese GAAP]

May 10, 2024

Company name: Carna Biosciences, Inc. Stock Exchange listing: Tokyo Stock Exchange(JASDAQ Growth)  
 Stock code: 4572 URL: <https://www.carnabio.com/english/>  
 Representative: Kohichiro Yoshino, President and CEO  
 Contact: Emi Yamamoto, Director, Business Administration Division TEL: +81-78-302-7075  
 Scheduled submission of quarterly report: May 13, 2024  
 Scheduled date of dividend payment : —  
 Supplementary materials for financial results: Yes  
 Financial results briefing: None

(Rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Three Months Ended March 31, 2024

(1) Consolidated operating results (Percentages show changes from the same period of the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended March 31, 2024	180	(20.3)	(416)	—	(394)	—	(398)	—
Three months ended March 31, 2023	226	(59.1)	(505)	—	(513)	—	(519)	—

Note: Comprehensive income Three months ended March 31, 2024: (359) million yen (—%)

Three months ended March 31, 2023: (518) million yen (—%)

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended March 31, 2024	(23.27)		—	
Three months ended March 31, 2023	(32.78)		—	

### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of March 31, 2024	3,894	3,517	90.3
As of December 31, 2023	4,349	3,877	89.1

Reference: Shareholders' equity As of March 31, 2024: 3,517 million yen As of Dec. 31, 2023: 3,877 million yen

### 2. Dividends

	Dividend per share				
	End of 1 <sup>st</sup> quarter	End of 2 <sup>nd</sup> quarter	End of 3 <sup>rd</sup> quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2023	—	0.00	—	0.00	0.00
FY2024	—	—	—	—	—
FY2024 (Forecast)	—	0.00	—	0.00	0.00

Note: Revision to the most recently announced dividend forecast: None

### 3. Consolidated Financial Forecast for FY2024 (January 1, 2024 to December 31, 2024)

(Percentages show changes from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2024	925	(43.0)	(2,201)	—	(2,208)	—	(2,225)	—	(129.81)

Note: Revision to the most recently announced financial forecast: None

**\* Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in the scope of consolidation): None

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies, accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, etc.: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of the period (including treasury stock)

As of March 31, 2024: 17,151,900 shares    As of Dec. 31, 2023: 17,151,900 shares

2) Number of treasury stock at the end of the period

As of March 31, 2024: 7,124 shares            As of Dec. 31, 2023: 7,124 shares

3) Average number of shares outstanding during the period

First quarter of FY2024: 17,144,776 shares    First quarter of FY2023: 15,839,509 shares

\* This financial report is exempt from quarterly review procedures by auditors.

\* Note to ensure appropriate use of forecasts and other remarks

The forecasts and other forward-looking statements included in this document are based on the information currently available to the management and certain assumptions considered by the management to be reasonable. Actual operating results may differ materially from these statements for various factors.

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**Consolidated Financial Statements****(1) Consolidated Balance Sheet**

	(Thousands of yen)	
	FY2023 (As of Dec. 31, 2023)	FY2024 (As of Mar. 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	2,889,101	3,159,233
Accounts receivable–trade	788,195	85,102
Merchandise and finished goods	94,383	94,799
Work in process	12,390	11,360
Raw materials and supplies	33,367	35,470
Other	374,044	357,661
Total current assets	4,191,484	3,743,627
Non-current assets		
Property, plant and equipment	105,498	105,440
Intangible assets	1,091	885
Investments and other assets	51,817	44,266
Total non-current assets	158,407	150,593
<b>Total assets</b>	4,349,891	3,894,220

	(Thousands of yen)	
	FY2023	FY2024
	(As of Dec. 31, 2023)	(As of Mar. 31, 2024)
<b>Liabilities</b>		
Current liabilities		
Accounts payable—trade	1,200	1,200
Current portion of long-term borrowings	120,000	95,001
Accounts payable-other	190,098	137,408
Income taxes payable	28,273	11,733
Other	36,349	27,917
Total current liabilities	375,921	273,260
Non-current liabilities		
Long-term borrowings	28,402	23,404
Asset retirement obligations	38,657	38,815
Other	29,375	40,770
Total non-current liabilities	96,435	102,989
Total liabilities	472,356	376,249
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,076,474	2,076,474
Capital surplus	5,827,683	5,827,683
Retained earnings	(4,075,386)	(4,474,276)
Treasury shares	(222)	(222)
Total shareholders' equity	3,828,549	3,429,658
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(2,722)	(2,952)
Deferred gains or losses on hedges	—	19,240
Foreign currency translation adjustment	51,709	72,025
Total accumulated other comprehensive income	48,986	88,313
Total net assets	3,877,535	3,517,971
Total liabilities and net assets	4,349,891	3,894,220

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

	(Thousands of yen)	
	First three months of FY2023 (Jan. 1 – Mar. 31, 2023)	First three months of FY2024 (Jan. 1 – Mar. 31, 2024)
Net sales	226,967	180,870
Cost of sales	48,635	46,670
Gross profit	178,332	134,199
Selling, general and administrative expenses	684,125	550,439
Operating loss	(505,792)	(416,240)
Non-operating income		
Interest income	64	2,517
Dividend income	105	109
Foreign exchange gains	—	20,122
Other	23	22
Total non-operating income	193	22,771
Non-operating expenses		
Interest expenses	896	926
Guarantee commission	239	99
Share issuance costs	4,618	—
Foreign exchange losses	2,015	—
Total non-operating expenses	7,769	1,025
Ordinary loss	(513,368)	(394,494)
Extraordinary losses		
Impairment loss	462	2,612
Total extraordinary losses	462	2,612
Loss before income taxes	(513,831)	(397,106)
Income taxes-current	5,407	1,810
Income taxes-deferred	(28)	(26)
Total income taxes	5,378	1,783
Loss	(519,210)	(398,890)
Loss attributable to owners of parent	(519,210)	(398,890)

**Consolidated Statement of Comprehensive Income**

	(Thousands of yen)	
	First three months of FY2023 (Jan. 1 – Mar. 31, 2023)	First three months of FY2024 (Jan. 1 – Mar. 31, 2024)
Loss	(519,210)	(398,890)
Other comprehensive income		
Valuation difference on available-for-sale securities	(101)	(229)
Deferred gains or losses on hedges	(615)	19,240
Foreign currency translation adjustment	1,648	20,316
Total other comprehensive income	932	39,327
Comprehensive income	(518,278)	(359,563)
Comprehensive income attributable to owners of parent	(518,278)	(359,563)
Comprehensive income attributable to non-controlling interests	—	—

*This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*