

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

[Japanese GAAP]

February 10, 2025

Company name: Carna Biosciences, Inc. Stock Exchange listing: Tokyo Stock Exchange(Growth)  
 Stock code: 4572 URL: <https://www.carnabio.com/english/>  
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 Scheduled date of Annual General Shareholders' Meeting: March 25, 2025  
 Scheduled date of Annual Securities Report filing: March 26, 2025

(Rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the FY2024 (from January 1, 2024 to December 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	%
FY2024	636	(60.9)	(2,076)	—	(2,080)	—	(2,178)	—
FY2023	1,625	17.2	(1,116)	—	(1,126)	—	(1,152)	—

Note: Comprehensive income FY2024: (2,144) million yen (—%) FY2023: (1,135) million yen (—%)

	Profit per share	Diluted profit per share	Return on equity	Return on assets	Operating profit to net sales
	Yen	Yen	%	%	%
FY2024	(121.64)	—	(68.6)	(58.4)	(326.3)
FY2023	(68.62)	—	(30.7)	(26.1)	(68.7)

Reference: Equity in earnings (losses) of associates FY2024: — FY2023: —

### (2) Consolidated financial position

	Total assets	Net assets	Shareholder' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Dec. 31, 2024	2,772	2,475	89.3	129.62
As of Dec. 31, 2023	4,349	3,877	89.1	226.16

Reference: Shareholders' equity As of Dec. 31, 2024: 2,475 million yen As of Dec. 31, 2023: 3,877 million yen

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the fiscal year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2024	(1,374)	(13)	567	2,108
FY2023	(1,677)	(11)	1,182	2,889

### 2. Dividends

	Dividend per share					Total cash dividends	Dividend payout ratio (consolidated)	Dividends on equity (consolidated)
	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	Millions of yen	%	%
FY2023	—	0.00	—	0.00	0.00	—	—	—
FY2024	—	0.00	—	0.00	0.00	—	—	—
FY2025 (Forecast)	—	0.00	—	0.00	0.00	—	—	—

### 3. Consolidated Financial Forecast for FY2025 (January 1, 2025 to December 31, 2025)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2025	()	()	()	—	()	—	()	—	()

**\* Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in the scope of consolidation): None
- (2) 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
- (3) Number of shares outstanding (common stock)
  - 1) Number of shares outstanding at the end of the period (including treasury stock)  
As of Dec. 31, 2024: 19,107,500 shares    As of Dec. 31, 2023: 17,151,900 shares
  - 2) Number of treasury stock at the end of the period  
As of Dec. 31, 2024: 11,124 shares    As of Dec. 31, 2023: 7,124 shares
  - 3) Average number of shares outstanding during the period  
FY2024: 17,909,820 shares    FY2023: 16,800,084 shares

**Reference: Summary of Non-consolidated Financial Results**

**1. Non-consolidated Financial Results for the FY 2024 (from January 1, 2024 to December 31, 2024)**

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

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2024	542	(63.1)	(2,066)	—	(2,072)	—	(2,168)	—
FY2023	1,468	20.7	(1,170)	—	(1,176)	—	(1,184)	—

	Profit per share	Diluted profit per share
	Yen	Yen
FY2024	(121.08)	—
FY2023	(70.53)	—

- (2) Non-consolidated financial position

	Total assets	Net assets	Shareholder' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Dec. 31, 2024	2,491	2,198	88.2	115.11
As of Dec. 31, 2023	4,086	3,624	88.7	211.43

Reference: Shareholders' equity    As of Dec. 31, 2024: 2,198 million yen    As of Dec. 31, 2023: 3,624 million yen

\* This financial report is exempt from audit procedures under the Financial Instruments and Exchange Act.

\* 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	FY2024
	(As of Dec. 31, 2023)	(As of Dec. 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	2,889,101	2,108,484
Accounts receivable–trade	788,195	87,088
Merchandise and finished goods	94,383	108,064
Work in process	12,390	9,069
Raw materials and supplies	33,367	37,016
Advance payments-trade	242,325	231,819
Other	131,719	156,174
Total current assets	4,191,484	2,737,717
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	30,036	—
Tools, furniture and fixtures, net	44,682	—
Lease assets, net	30,780	—
Total property, plant and equipment	105,498	—
Intangible assets	1,091	—
Investments and other assets	51,817	34,397
Total non-current assets	158,407	34,397
<b>Total assets</b>	<b>4,349,891</b>	<b>2,772,115</b>

	(Thousands of yen)	
	FY2023	FY2024
	(As of Dec. 31, 2023)	(As of Dec. 31, 2024)
Liabilities		
Current liabilities		
Accounts payable–trade	1,200	2,000
Current portion of long-term borrowings	120,000	19,992
Lease obligations	6,569	8,112
Accounts payable–other	190,098	151,733
Income taxes payable	28,273	28,526
Other	29,779	12,601
Total current liabilities	375,921	222,965
Non-current liabilities		
Long-term borrowings	28,402	8,410
Lease obligations	28,000	24,827
Asset retirement obligations	38,657	39,286
Other	1,375	1,270
Total non-current liabilities	96,435	73,794
Total liabilities	472,356	296,760
Net assets		
Shareholders' equity		
Capital stock	2,076,474	2,447,707
Capital surplus	5,827,683	6,198,916
Retained earnings	(4,075,386)	(6,253,962)
Treasury shares	(222)	(222)
Total shareholders' equity	3,828,549	2,392,439
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(2,722)	(3,430)
Foreign currency translation adjustment	51,709	86,346
Total accumulated other comprehensive income	48,986	82,915
Total net assets	3,877,535	2,475,354
Total liabilities and net assets	4,349,891	2,772,115

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

	(Thousands of yen)	
	FY2023	FY2024
	(Jan. 1 – Dec. 31, 2023)	(Jan. 1 – Dec. 31, 2024)
Net sales	1,625,889	636,235
Cost of sales	175,293	170,542
Gross profit	1,450,595	465,692
Selling, general and administrative expenses	2,567,574	2,541,797
Operating profit (loss)	(1,116,978)	(2,076,104)
Non-operating income		
Interest income	170	14,504
Dividend income	426	442
Foreign exchange gains	—	26,446
Other	159	2,703
Total non-operating income	756	44,097
Non-operating expenses		
Interest expenses	3,451	2,958
Guarantee commission	676	396
Share issuance costs	5,219	45,377
Foreign exchange losses	714	—
Other	0	—
Total non-operating expenses	10,061	48,732
Ordinary profit (loss)	(1,126,283)	(2,080,739)
Extraordinary losses		
Impairment loss	4,562	93,237
Total extraordinary losses	4,562	93,237
Profit (loss) before income taxes	(1,130,846)	(2,173,976)
Income taxes-current	22,161	4,704
Income taxes-deferred	(113)	(104)
Total income taxes	22,048	4,599
Profit (loss)	(1,152,895)	(2,178,576)
Profit (loss) attributable to owners of parent	(1,152,895)	(2,178,576)

**Consolidated Statement of Comprehensive Income**

	(Thousands of yen)	
	FY2023	FY2024
	(Jan. 1 – Dec. 31, 2023)	(Jan. 1 – Dec. 31, 2024)
Profit (Loss)	(1,152,895)	(2,178,576)
Other comprehensive income		
Valuation difference on available-for-sale securities	(349)	(707)
Deferred gains or losses on hedges	(615)	—
Foreign currency translation adjustment	18,483	34,637
Total other comprehensive income	17,518	33,929
Comprehensive income	(1,135,377)	(2,144,646)
Comprehensive income attributable to owners of parent	(1,135,377)	(2,144,646)
Comprehensive income attributable to non-controlling interests	—	—

**(3) Consolidated Statement of Changes in Equity**

FY2023 (Jan. 1 – Dec. 31, 2023)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	1,382,246	5,133,456	(2,922,490)	(222)	3,592,988
Changes of items during period					
Issuance of new shares	14,483	14,483			28,966
Issuance of new shares - exercise of share acquisition rights	679,744	679,744			1,359,489
Loss attributable to owners of parent			(1,152,895)		(1,152,895)
Net changes of items other than shareholders' equity					
Total changes of items during period	694,227	694,227	(1,152,895)	—	235,560
Balance at end of current period	2,076,474	5,827,683	(4,075,386)	(222)	3,828,549

	Accumulated other comprehensive income				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	(2,373)	615	33,225	31,467	17,388	3,641,844
Changes of items during period						
Issuance of new shares						28,966
Issuance of new shares - exercise of share acquisition rights						1,359,489
Loss attributable to owners of parent						(1,152,895)
Net changes of items other than shareholders' equity	(349)	(615)	18,483	17,518	(17,388)	130
Total changes of items during period	(349)	(615)	18,483	17,518	(17,388)	235,690
Balance at end of current period	(2,722)	—	51,709	48,986	—	3,877,535



FY2024 (Jan. 1 – Dec. 31, 2024)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,076,474	5,827,683	(4,075,386)	(222)	3,828,549
Changes of items during period					
Issuance of new shares	1,090	1,090			2,180
Issuance of new shares – third-party allocation of new shares	370,143	370,143			740,286
Loss attributable to owners of parent			(2,178,576)		(2,178,576)
Net changes of items other than shareholders' equity					
Total changes of items during period	371,233	371,233	(2,178,576)	—	(1,436,110)
Balance at end of current period	2,447,707	6,198,916	(6,253,962)	(222)	2,392,439

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of current period	(2,722)	51,709	48,986	3,877,535
Changes of items during period				
Issuance of new shares				2,180
Issuance of new shares – third-party allocation of new shares				740,286
Loss attributable to owners of parent				(2,178,576)
Net changes of items other than shareholders' equity	(707)	34,637	33,929	33,929
Total changes of items during period	(707)	34,637	33,929	(1,402,180)
Balance at end of current period	(3,430)	86,346	82,915	2,475,354

**(4) Consolidated Statement of Cash Flows**

	(Thousands of yen)	
	FY2023 (Jan. 1 – Dec. 31, 2023)	FY2024 (Jan. 1 – Dec. 31, 2024)
Cash flows from operating activities		
Profit (loss) before income taxes	(1,130,846)	(2,173,976)
Depreciation	35,612	31,245
Impairment loss	4,562	93,237
Interest income	(170)	(14,504)
Dividend income	(426)	(442)
Interest expenses	3,451	2,958
Foreign exchange losses (gains)	(5,467)	(8,731)
Share-based compensation expenses	40,242	29,846
Share issuance cost	5,219	45,377
Decrease (increase) in notes and accounts receivable–trade	(599,720)	704,178
Decrease (increase) in inventories	(21,609)	(14,008)
Increase (decrease) in notes and accounts payable–trade	(762)	800
Increase (decrease) in accounts payable–other	(44,351)	(38,347)
Increase (decrease) in advanced payments	43,584	10,505
Other, net	29,790	(35,682)
Subtotal	(1,640,892)	(1,367,545)
Interest income received	170	14,504
Interest expenses paid	(3,365)	(2,841)
Income taxes (paid) refund	(33,377)	(18,924)
Net cash provided by (used in) operating activities	(1,677,464)	(1,374,806)
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,530)	(13,060)
Other, net	154	—
Net cash provided by (used in) investing activities	(11,376)	(13,060)
Cash flows from financing activities		
Repayments of long-term loans payable	(119,988)	(120,000)
Redemption of bonds	(32,032)	—
Proceeds from issuance of shares resulting from exercise of share acquisition rights	1,343,338	—
Proceeds from stock issuance to a third party	—	694,999
Other, net	(9,290)	(7,557)
Net cash provided by (used in) financing activities	1,182,027	567,441
Effect of exchange rate change on cash and cash equivalents	16,865	39,809
Net increase (decrease) in cash and cash equivalents	(489,947)	(780,616)
Cash and cash equivalents at beginning of period	3,379,048	2,889,101
Cash and cash equivalents at end of period	2,889,101	2,108,484

*This financial report is solely a summary and 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.*