

# FY2025 First Quarter Business Summary

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(Year Ending March 31, 2026)



Nippon Chemiphar Co., Ltd.

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(TSE 4539)

## ■ Sales

**Consolidated net sales: ¥ 8,248 million (Up 3.1% YOY, 23.6% progress vs full-year sales forecast)**

Due to the continuous growth of generics and diagnostics, sales rose on a YOY basis while absorbing the impact of the off year NHI price revisions. On track for progress vs full year sales forecasts.

### 1. Pharmaceuticals : ¥6,379 million (Up 3.4% YOY, 24.1% progress vs full-year sales forecast)

Factors contributing to sales growth:

- Both the steady sales of generics focused on expansion and the sales of recently launched drugs.
- Effect of the price increase of the minimum NHI drug priced items.
- Ripple effect of switching to generics due to patient's choice in which costs for patients increases when choosing of long-term listed products.

Factors contributing to the decrease in sales:

- Impact of the off year NHI price revisions (around negative 4%) implemented in April 2025.
- Termination of drugs handled by the Group.

### 2. Diagnostics: ¥ 1,343 million (Up 11.8% YOY, 23.0% progress vs full-year sales forecast)

Stable increase in introduction of DropScreen to medical institutions based on its high product strength.

## ■ Profit

**Consolidated operating profit: ¥232 million (Up 7,265.8% YOY, 77.5% progress vs full-year forecast)**

- Both the growth in sales and the decrease in cost of sales rate resulted from the improvement of sales mix, contributed to the increase in profit.
- Financial forecasts for FY2025 will not change as R&D expenses are largely allocated after the second quarter of the fiscal year.

**Consolidated quarterly net profit ¥227 million (Up 79.4% YOY, 151.5% progress vs full-year forecast)**

Despite the impact of foreign exchange losses, as we recorded gain on sales of investment securities, net profit attributable to owners of parent resulted ¥227 million.

## ■ Topics

- In June, launched five generics of two ingredients including our first authorized generic, Glimepiride Tablets “NC”.
- For further enhancing and improving efficacy of our stable supply system of generics, we have decided to be a part of the Consortium initiative in addition to our efforts on inter-company outsourcing and contract manufacturing.

# Sales and Income to Year-on-Year

(¥mn)

	FY2024		FY2025			
	1Q Amount	% of Sales	1Q Amount	% of Sales	1Q Change	YOY (%)
<b>Net sales</b>	<b>7,996</b>	<b>100.0</b>	<b>8,248</b>	<b>100.0</b>	<b>251</b>	<b>3.1</b>
Pharmaceutical products segment	7,703	96.3	7,952	96.4	248	3.2
Generics, proprietary products and new drugs	6,170	77.2	6,379	77.3	208	3.4
Diagnostics	1,201	15.0	1,343	16.3	142	11.8
Others segment	292	3.7	296	3.6	3	1.2
<b>Cost of sales</b>	<b>5,902</b>	<b>73.8</b>	<b>5,970</b>	<b>72.4</b>	<b>67</b>	<b>1.2</b>
<b>SG&amp;A expenses</b>	<b>2,091</b>	<b>26.2</b>	<b>2,045</b>	<b>24.8</b>	<b>(45)</b>	<b>(2.2)</b>
R&D expenses	602	7.5	468	5.7	(134)	(22.3)
<b>Operating profit</b>	<b>3</b>	<b>0.0</b>	<b>232</b>	<b>2.8</b>	<b>229</b>	<b>7,265.8</b>
<b>Ordinary profit</b>	<b>161</b>	<b>2.0</b>	<b>148</b>	<b>1.8</b>	<b>(12)</b>	<b>(7.9)</b>
<b>Net profit attributable to owners of parent</b>	<b>126</b>	<b>1.6</b>	<b>227</b>	<b>2.8</b>	<b>100</b>	<b>79.4</b>

# Sales and Income to Full Year Forecasts

(¥mn)

	FY2024		FY2025			
	Full Year Amount	% of Sales	1Q Amount	% of Sales	Full Year Forecasts	Progress Rate (%)
<b>Net sales</b>	<b>32,570</b>	<b>100.0</b>	<b>8,248</b>	<b>100.0</b>	<b>35,000</b>	<b>23.6</b>
Pharmaceutical products segment	31,386	96.4	7,952	96.4	-	-
Generics, proprietary products and new drugs	25,271	77.6	6,379	77.3	26,490	24.1
Diagnostics	4,883	15.0	1,343	16.3	5,840	23.0
Others segment	1,184	3.6	296	3.6	-	-
<b>Cost of sales</b>	<b>23,824</b>	<b>73.1</b>	<b>5,970</b>	<b>72.4</b>	-	-
<b>SG&amp;A expenses</b>	<b>8,139</b>	<b>25.0</b>	<b>2,045</b>	<b>24.8</b>	-	-
R&D expenses	2,292	7.0	468	5.7	2,750	17.0
<b>Operating profit</b>	<b>606</b>	<b>1.9</b>	<b>232</b>	<b>2.8</b>	<b>300</b>	<b>77.5</b>
<b>Ordinary profit</b>	<b>443</b>	<b>1.4</b>	<b>148</b>	<b>1.8</b>	<b>100</b>	<b>148.6</b>
<b>Net profit attributable to owners of parent</b>	<b>294</b>	<b>0.9</b>	<b>227</b>	<b>2.8</b>	<b>150</b>	<b>151.5</b>

# Pharmaceutical Sales to Year-on-Year

## Generics, Proprietary Products and New Drugs

(¥mn)

	FY2024		FY2025			
	1Q Amount	% of Sales	1Q Amount	% of Sales	1Q Change	YOY (%)
<b>Total</b>	<b>6,170</b>	<b>100.0</b>	<b>6,379</b>	<b>100.0</b>	<b>208</b>	<b>3.4</b>
Generics	5,883	95.3	6,119	95.9	236	4.0
To medical institutions	5,806	-	6,077	-	271	4.7
To other makers*	77	-	42	-	(34)	(44.8)
Proprietary products and new drugs	287	4.7	259	4.1	(27)	(9.7)
Uralyt	104	-	61	-	(43)	(41.5)
Others	182	-	198	-	15	8.6
<b>Chemiphar, ODM Generics</b>						
<b>Total</b>	<b>6,100</b>	—	<b>6,258</b>	—	<b>157</b>	<b>2.6</b>
Generics (ODM)	217	—	138	—	(78)	(36.3)

\* Includes exports.

# Pharmaceutical Sales to Full Year Forecasts

## Generics, Proprietary Products and New Drugs

(¥mn)

	FY2024		FY2025			
	Full Year Amount	% of Sales	1Q Amount	% of Sales	Full Year Forecasts	Progress Rate (%)
<b>Total</b>	<b>25,271</b>	<b>100.0</b>	<b>6,379</b>	<b>100.0</b>	<b>26,490</b>	<b>24.1</b>
Generics	23,968	94.8	6,119	95.9	24,680	24.8
To medical institutions	23,589	-	6,077	-	24,360	24.9
To other makers*	378	-	42	-	320	13.3
Proprietary products and new drugs	1,303	5.2	259	4.1	1,810	14.3
Uralyt	349	-	61	-	310	19.7
Others	953	-	198	-	1,500	13.2
<b>Chemiphar, ODM Generics</b>						
<b>Total</b>	<b>24,784</b>	-	<b>6,258</b>	-	<b>25,500</b>	<b>24.5</b>
Generics (ODM)	816	-	138	-	820	16.9

\* Includes exports.

# Sales Distribution by Launch Year

(¥mn)

	FY2024		FY2025			Product Lineup
	1Q Amount	Distrib. (%)	1Q Amount	Distrib. (%)	YOY (%)	
FY2021 and before	5,584	94.9	5,671	92.7	1.6	
FY2022	236	4.0	290	4.7	22.7	<ul style="list-style-type: none"> <li>• Febuxostat</li> <li>• Esomeprazole</li> </ul>
FY2023	53	0.9	51	0.8	(2.7)	<ul style="list-style-type: none"> <li>• Azilsartan</li> </ul>
FY2024	9	0.2	64	1.1	576.9	<ul style="list-style-type: none"> <li>• Zonisamide</li> <li>• Rivaroxaban</li> </ul>
FY2025	-	-	42	0.7	-	<ul style="list-style-type: none"> <li>• Glimepiride "NC"</li> <li>• Zinc Acetate</li> </ul>
<b>Total</b>	<b>5,883</b>	<b>100.0</b>	<b>6,119</b>	<b>100.0</b>	<b>4.0</b>	

# Balance Sheet

(¥mn)

	FY2024	FY2025				
	March 31,2025	June 30,2025	Change	Reason for changes		
Current assets	30,066	33,330	3,263	Cash and deposits	2,666	*
				Inventories	654	**
Non-current assets	19,785	19,354	(431)	Buildings and structures	(240)	Start of depreciation of the 2nd Floor of No.3 building at Tsukuba Factory
				Investment securities	(143)	Selling of a portion of investment securities
Total assets	49,851	52,684	2,832			
Current liabilities	12,261	14,130	1,869	Account payable - other	918	**
				Short-term borrowings	420	*
Non-current liabilities	18,422	19,635	1,212	Long-term borrowings	506	*
Total liabilities	30,684	33,765	3,081			
Total net assets	19,167	18,918	(248)			
Total liabilities and net assets	49,851	52,684	2,832			

\* Due to working capital loan in addition to increase in sales

\*\* Due to the stock up of inventory to be ready for increase in production

# Expenditure and Per Share Information

## Capital Expenditure and Other

(¥mn)

	FY2024		FY2025			Usage Rate (%)
	1Q Amount	Full Year Amount	1Q Amount	YOY (%)	Full Year Forecasts	
Capital expenditure	96	3,003	152	58.0	1,420	10.8
Depreciation and amortization	346	1,377	374	8.2	1,690	22.2

## Per Share Information

(¥)

	FY2024		FY2025		
	1Q Amount	Full Year Amount	1Q Amount	Change	Full Year Forecasts
Earnings per share	35.09	81.72	62.98	27.89	41.57
	June 30, 2024	March 31, 2025	June 30, 2025	Change	Full Year Forecasts
Book value per share	5,095.29	5,312.46	5,243.60	148.31	-
Dividends per share	-	50.00	-	-	50.00
Dividend payout ratio (%)	-	61.2%	-	-	120.3

# Indexes

	FY2022	FY2023	FY2024	1Q FY2025
Cost of sales ratio (%)	74.1	74.8	73.1	72.4
SG&A expense to sales ratio (%)	26.7	26.8	25.0	24.8
Operating profit to sales ratio (%)	-	-	1.9	2.8
R&D expenses to sales ratio (%)	7.7	7.6	7.0	5.7
EBITDA (millions of yen)	1,682	1,391	2,018	576
Current ratio (x)	2.26x	2.31x	2.45x	2.36x
Debt-to-equity ratio (%)	81.0	90.5	87.3	93.7
Equity ratio (%)	38.1	37.3	38.4	35.9
Return on equity (%)	1.8	-	1.6	-
Net income ratio (%)	1.1	-	0.9	2.8
Total asset turnover (%)	64.4	62.7	65.5	-
Financial leverage (%)	264.7	265.8	259.3	271.0
Dividend payout ratio (%)	53.2	-	61.2	-

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**Note about Forward-looking Statements and Forecasts**

Statements made in this *Highlights of Business Results*, with respect to current plans, estimates, strategies and beliefs, and other statements of Nippon Chemiphar that are not historical facts are forward-looking statements about the future performance of Nippon Chemiphar.

These statements are based on management's current assumptions and beliefs in light of the information currently available to it and involve known and unknown risks and uncertainties. Consequently, undue reliance should not be placed on these statements.

Nippon Chemiphar cautions the reader that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.