FY2025 Second Quarter Business Summary

(Year Ending March 31, 2026)



Nippon Chemiphar Co., Ltd.

Sales and Income	1-2
Pharmaceutical Sales	3-4
Sales Distribution by Launch Year	5
Balance Sheet	6
Cash Flow	7
Expenditure and Per Share Informat	tion 8
Indexes	9

(TSE 4539)

Sales and Income to Year-on-Year

		FY2024			FY2025		
		2Q	% of	2Q	% of	2Q	YOY
		Amount	Sales	Amount	Sales	Change	(%)
Net	sales	15,626	100.0	15,932	100.0	305	2.0
	Pharmaceutical products segment	15,055	96.3	15,354	96.4	299	2.0
	Generics, proprietary products						
	and new drugs	12,111	77.5	12,394	77.8	282	2.3
	Diagnostics	2,227	14.3	2,460	15.4	233	10.5
	Others segment	570	3.7	577	3.6	6	1.2
Cost	t of sales	11,510	73.7	11,783	74.0	273	2.4
SG&	&A expenses	4,039	25.9	4,025	25.3	(13)	(0.3)
	R&D expenses	1,160	7.4	1,007	6.3	(153)	(13.2)
Ope	rating profit	76	0.5	122	0.8	46	60.6
Ordinary profit/loss		(62)	-	48	0.3	110	-
Net profit/loss attributable to owners of parent		(44)		163	1.0	207	-



Sales and Income to Full Year Forecasts

	FY2	024	FY2025			
	Full Year	% of	2Q	% of	Full Year	Progress
	Amount	Sales	Amount	Sales	Forecasts	Rate (%)
Net sales	32,570	100.0	15,932	100.0	35,000	45.5
Pharmaceutical products segment	31,386	96.4	15,354	96.4	-	-
Generics, proprietary products						
and new drugs	25,271	77.6	12,394	77.8	26,490	46.8
Diagnostics	4,883	15.0	2,460	15.4	5,840	42.1
Others segment	1,184	3.6	577	3.6	-	-
Cost of sales	23,824	73.1	11,783	74.0	_	-
SG&A expenses	8,139	25.0	4,025	25.3	_	-
R&D expenses	2,292	7.0	1,007	6.3	2,750	36.6
Operating profit	606	1.9	122	0.8	300	40.9
Ordinary profit	443	1.4	48	0.3	100	48.4
Net profit attributable to						
owners of parent	294	0.9	163	1.0	150	108.9



Pharmaceutical Sales to Year-on-Year

Generics, Proprietary Products and New Drugs

		FY2024			FY2	2025	
		2Q	% of	2Q	% of	2Q	YOY
		Amount	Sales	Amount	Sales	Change	(%)
Tota	ıl	12,111	100.0	12,394	100.0	282	2.3
	Generics	11,569	95.5	11,949	96.4	379	3.3
	To medical institutions	11,365	-	11,797	-	432	3.8
	To other makers*	204	-	151	-	(52)	(25.6)
	Proprietary products and new drugs	542	4.5	445	3.6	(96)	(17.9)
	Uralyt	197	-	140	-	(57)	(29.1)
	Others	344	-	305	-	(39)	(11.4)
Che	miphar, ODM Generics						
Tota	ıl	12,063	-	12,275	-	212	1.8
	Generics (ODM)	493	-	326	-	(167)	(33.9)

^{*} Includes exports.



Pharmaceutical Sales to Full Year Forecasts

Generics, Proprietary Products and New Drugs

	, I v						
		FY2	024	FY2025			
		Full Year	% of	2Q	% of	Full Year	Progress
		Amount	Sales	Amount	Sales	Forecasts	Rate (%)
Tot	al	25,271	100.0	12,394	100.0	26,490	46.8
	Generics	23,968	94.8	11,949	96.4	24,680	48.4
	To medical institutions	23,589	-	11,797	-	24,360	48.4
	To other makers*	378	-	151	-	320	47.5
	Proprietary products and new drugs	1,303	5.2	445	3.6	1,810	24.6
	Uralyt	349	-	140	-	310	45.2
	Others	953	-	305	-	1,500	20.3
Che	Chemiphar, ODM Generics						
Tot	al	24,784	-	12,275	-	25,500	48.1
	Generics (ODM)	816		326	-	820	39.8

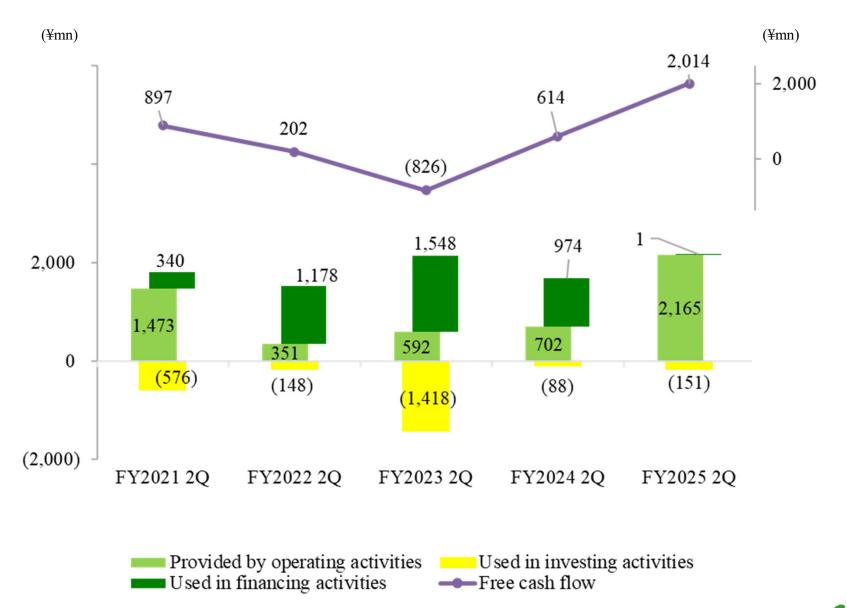
^{*} Includes exports.

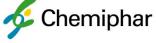
Sales Distribution by Launch Year

	FY2	.024	FY2025			(1111)
	2Q	Distrib.	2Q	Distrib.	YOY	
	Amount	(%)	Amount	(%)	(%)	Product Lineup
FY2021 and before	10,966	94.8	11,018	92.2	0.5	
FY2022	483	4.2	592	5.0	22.5	FebuxostatEsomeprazole
FY2023	102	0.9	101	0.8	(1.0)	• Azilsartan
FY2024	17	0.2	135	1.1	654.6	ZonisamideRivaroxaban
FY2025	-	-	101	0.9	-	 Glimepiride "NC" Zinc Acetate
Total	11,569	100.0	11,949	100.0	3.3	



Cash Flow





Balance Sheet

	FY2024			FY2025		(* mn)
	March 31,2025	Sept. 30, 2025	Change		changes	
	TVIGION 31,2023	Sopt. 30, 2023	Change	Cash and deposits		Increase of revenue and monetization of accounts receivable in the 4Q of the previous fiscal year
				Inventories	1,788	*
Current assets	30,066	32,554	2,487	Notes and accounts receivable – trade, and contract assets	(1,262)	Monetization of revenue growth in the 4Q of FY2024
Non-current assets	19,785	19,432	(352)	Buildings and structures	(326)	Depreciation of the 2nd Floor of No.3 building at Tsukuba Factory etc
Total assets	49,851	51,986	2,134		(320)	Tuesday etc
Current liabilities	12,261	13,816		Account payable - other	1,377	*
Non-current liabilities	18,422	19,236	813	Long-term borrowings	136	Due to working capital loan
Total liabilities	30,684	33,053	2,368			
Total net assets Total liabilities and	19,167	18,933	(233)			
net assets	49,851	51,986	2,134			

^{*}Due to the stock up of inventory to be ready for increase of production



Expenditure and Per Share Information

Capital Expenditure and Other

(¥mn)

	FY2024					
	2Q Full Year		2Q	YOY	Full Year	Usage
	Amount	Amount	Amount	(%)	Forecasts	Rate (%)
Capital expenditure	1,753	3,003	388	(77.9)	1,420	27.3
Depreciation and amortization	640	1,377	746	16.6	1,690	44.2

Per Share Information

(¥)

	FY2	024			
	2Q Full Year		2Q		Full Year
	Amount	Amount	Amount	Change	Forecasts
Earnings per share	(12.26)	81.72	45.27	57.53	41.57
	Sept. 30,	March 31,	Sept. 30,		Full Year
	2024	2025	2025	Change	Forecasts
Book value per share	5,141.81	5,312.46	5,247.90	106.09	-
Dividends per share	-	50.00	-	_	50.00
Dividend payout ratio (%)	-	61.2%	-	_	120.3

Indexes

	FY2022	FY2023	FY2024	FY2025 2Q
Cost of sales ratio (%)	74.1	74.8	73.1	74.0
SG&A expense to sales ratio (%)	26.7	26.8	25.0	25.3
Operating profit to sales ratio (%)	-	-	1.9	0.8
R&D expenses to sales ratio (%)	7.7	7.6	7.0	6.3
EBITDA (millions of yen)	1,682	1,391	2,018	906
Current ratio (x)	2.26x	2.31x	2.45x	2.36x
Debt-to-equity ratio (%)	81.0	90.5	87.3	89.8
Equity ratio (%)	38.1	37.3	38.4	36.4
Return on equity (%)	1.8	-	1.6	-
Net income ratio (%)	1.1	-	0.9	1.0
Total asset turnover (%)	64.4	62.7	65.5	-
Financial leverage (%)	264.7	265.8	259.3	268.9
Dividend payout ratio (%)	53.2	-	61.2	-



For further information contact:

Public Relations, Corporate Strategic Planning Department

Nippon Chemiphar Co., Ltd.

E-mail: ir@chemiphar.co.jp

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.