

Euglena Group

Financial Highlight of FY2025 Q1

Euglena Co., Ltd.
Prime Market of the Tokyo Stock Exchange
(Code: 2931)

2025.05.12

[Disclaimer Policy] Forecasts, outlooks, strategies and other non-historical facts contained in this document are based on information available to the Group at the time this document was prepared, and the Group does not guarantee the accuracy of such information. These factors may differ significantly from forecasts due to changes in the economic and business environment.

Executive Summary

Financial Summary

(Unit: JPY Million)	FY2024 Q1	FY2025 Q1	YoY	
			Balance	Change
Sales	11,154	11,936	+781	+7%
o/w Healthcare Business	10,304	10,924	+620	+6%
Adjusted EBITDA	1,071	1,546	+474	+44%
o/w Healthcare Business	1,642	2,033	+391	+24%
Operating income/loss	302	618	+316	+105%

- **Adjusted EBITDA and operating income increased significantly YoY**
 - Net sales also increased due to Saticine Medical Group consolidation
 - Earnings forecast unchanged due to expecting increase in advertising investment from Q2 onward
- **Profitability firmly established through profit structure improvement**
 - Adjusted EBITDA and operating income increased significantly while maintaining advertising expenses
 - Voluntary retirement program completed, equivalent to annual fixed cost reduction of approx. JPY370 mln

Healthcare Business

- **Continued profit structure improvement across the Group**
 - Improved Adjusted EBITDA margin to 19% (16% in FY2024 Q1)
- **“CONC Wrinkle Injection” continues to perform well**
 - Started horizontal expansion of channels and applications with microneedles
- **Strengthened measures to expand awareness based on the functionalities of *Euglena* and other products**
 - Supplying *Euglena* as functional ingredients to Alinamin Pharmaceutical product

Biofuel Business

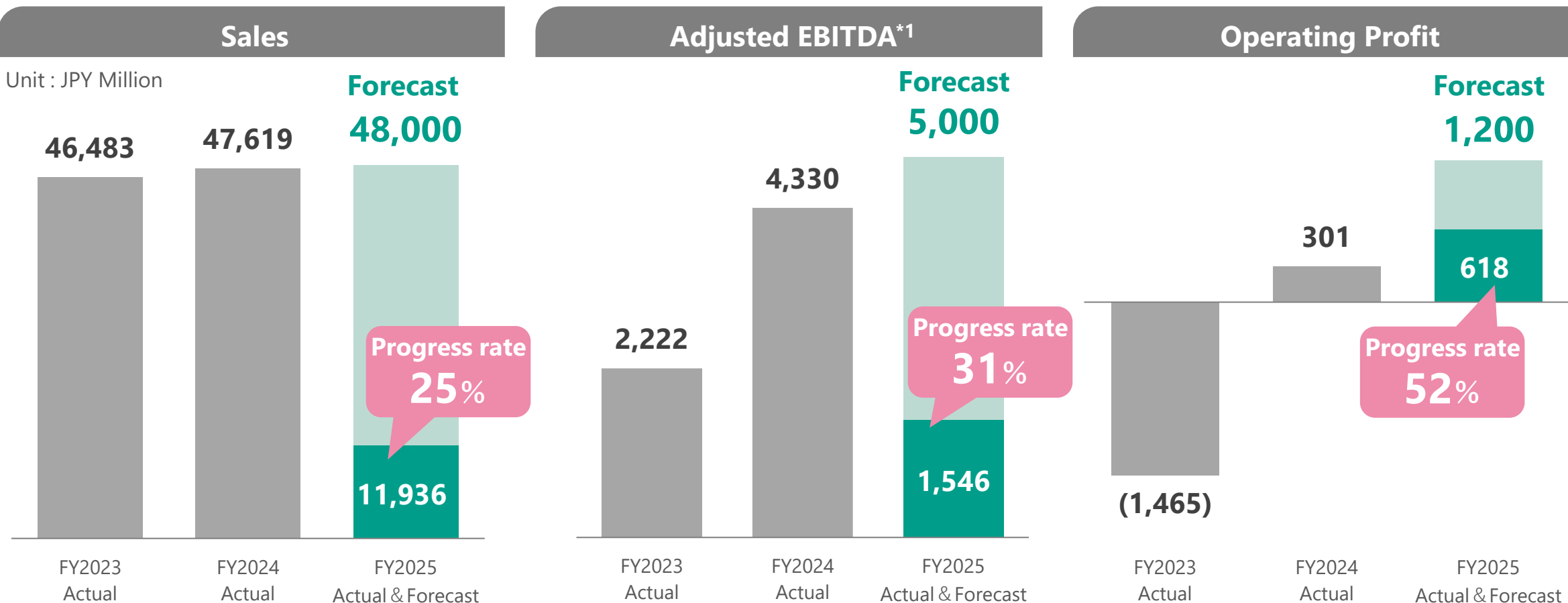
- **Obtained subsidies to develop feedstock procurement sources**
 - Initiated research on procuring feedstocks such as waste cooking oil and sugar sources for algae cultivation
- **Established a SPC debt-like financing facility of up to USD30 mln**
 - SPC's cash on hand and JVCo's own financing arrangements are expected to cover funds needed to raise JVCo's 15% stake
- **SUSTEO 51 development and utilizing subsidies to create HVO demand in Japan**
 - Aim to accelerate HVO usage in Japan by developing SUSTEO 51, which can comply with the revised Energy Conservation Law, and utilizing subsidies from Tokyo Metropolitan Government

FY2025 Q1 Results Summary

Progress towards Full Year Forecast

Sales on track, while profits exceeded the plan due to profit structure improvement

Earnings forecast remains unchanged due to expecting increase in advertising investment from Q2 onwards



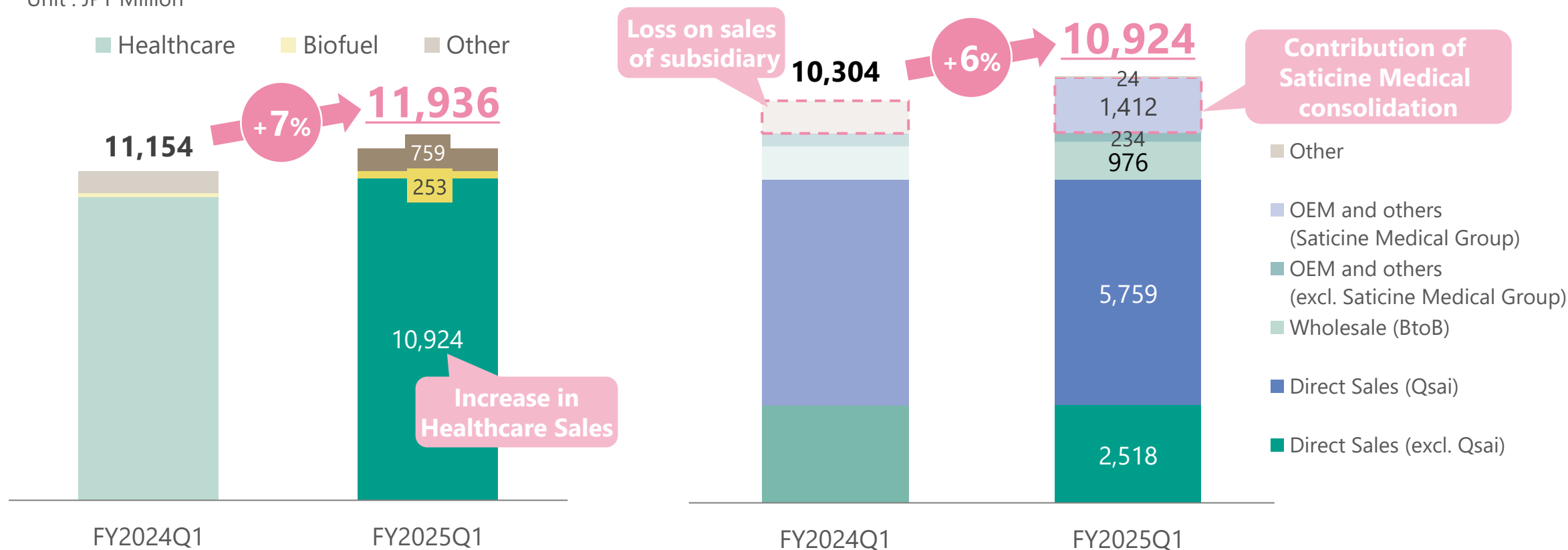
Sales

Healthcare sales increased mainly due to contribution of Saticine Medical consolidation;
Slight increase in Biofuel and Other businesses

Sales*¹

Healthcare Sales*²

Unit : JPY Million



*1: "Other" includes the elimination of intra-company transactions within segments

*2: "Other" includes the impact of the subsidiary sold in FY2024 and the elimination of intra-company transactions

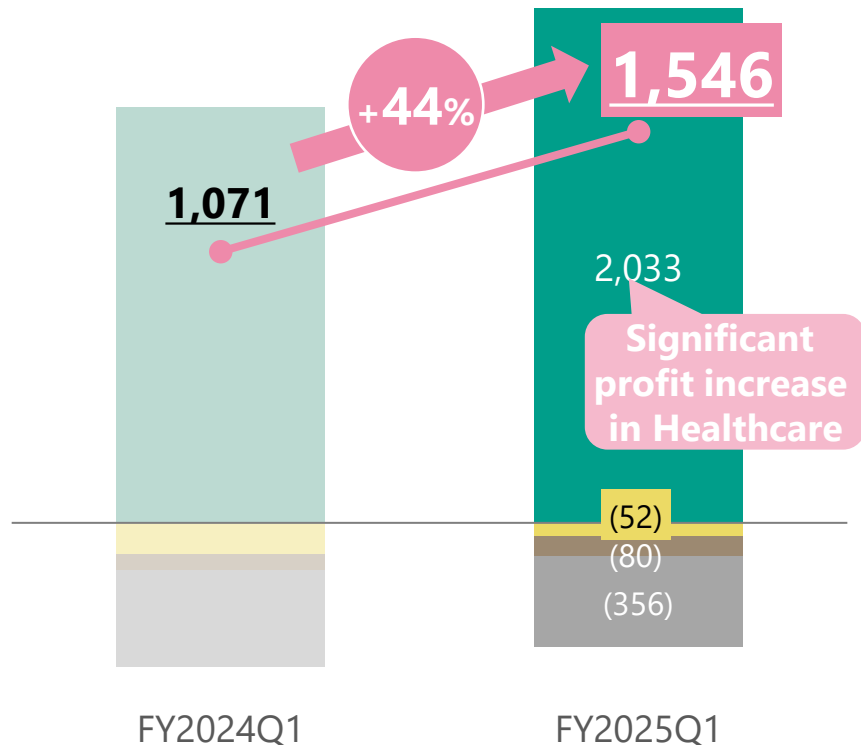
Adjusted EBITDA, Operating Income

Adjusted EBITDA and operating income grew significantly, by 1.4 times and doubled, respectively, driven by increased profits in Healthcare business

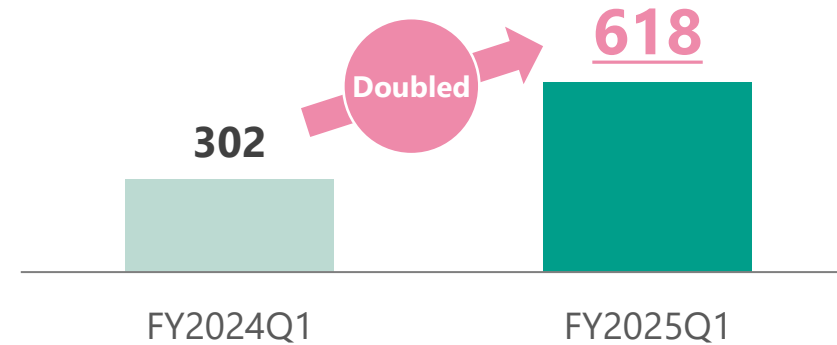
Adjusted EBITDA

Unit : JPY Million

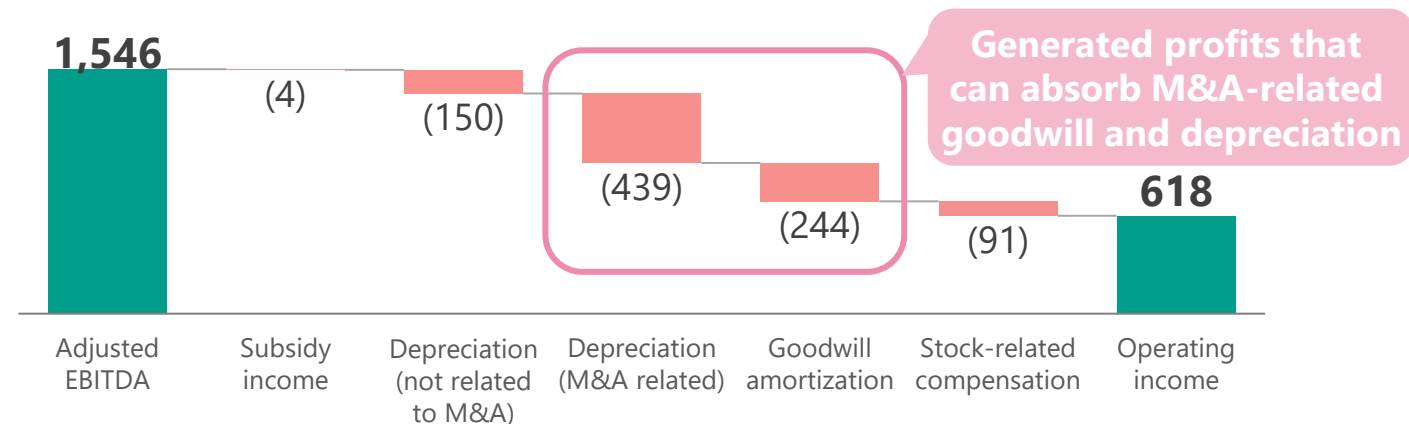
Healthcare Biofuel Other Corporate Total



Operating Profit

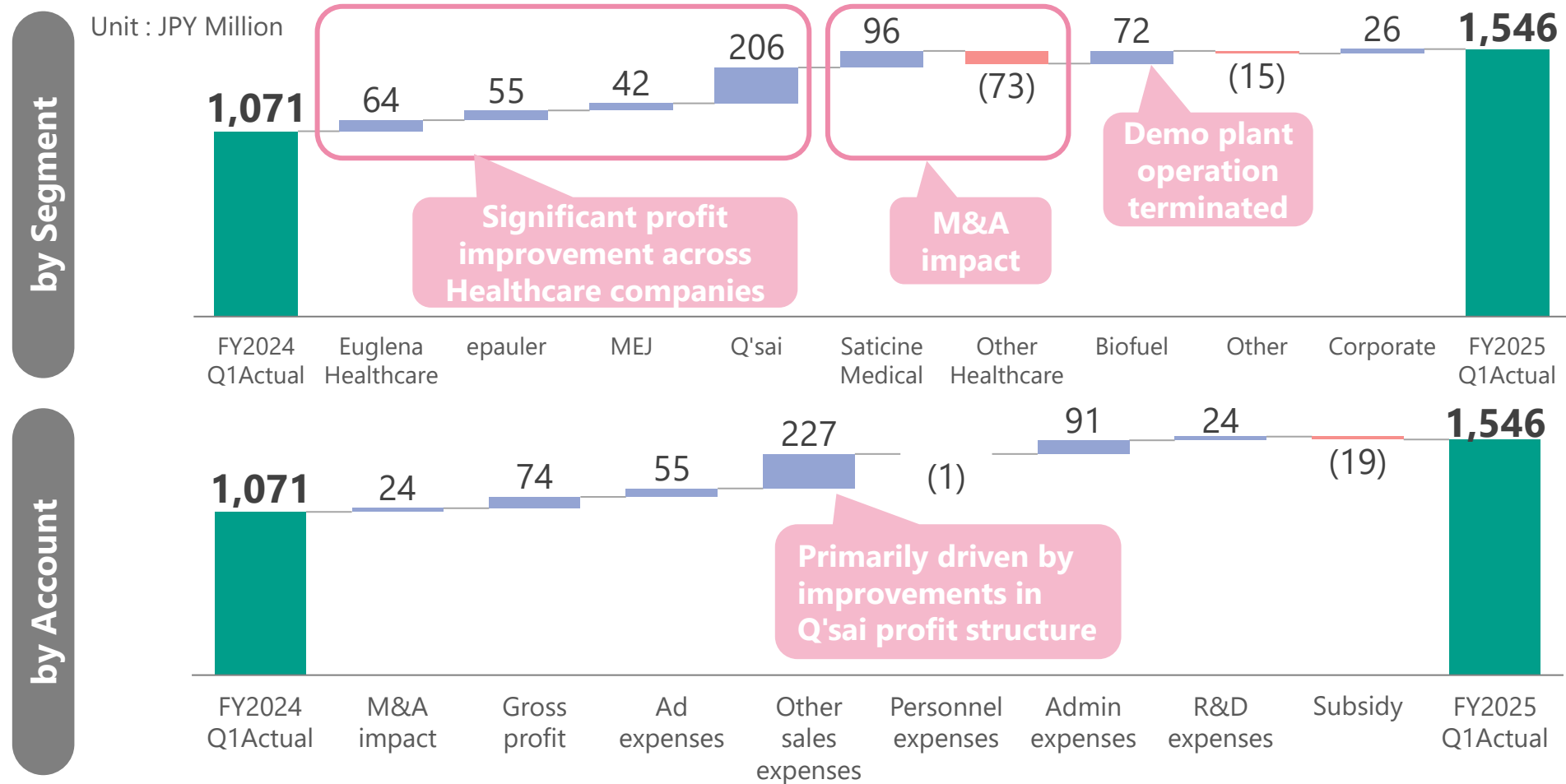


FY2025Q1 Breakdown : Adjusted EBITDA → Operating Profit



Analysis of Adjusted EBITDA Increase/Decrease

Established profitability with profit structure improvement; Adjusted EBITDA significantly increased while maintaining advertising expenses



Ordinary Income, Net Income/Loss - Voluntary Retirement Program

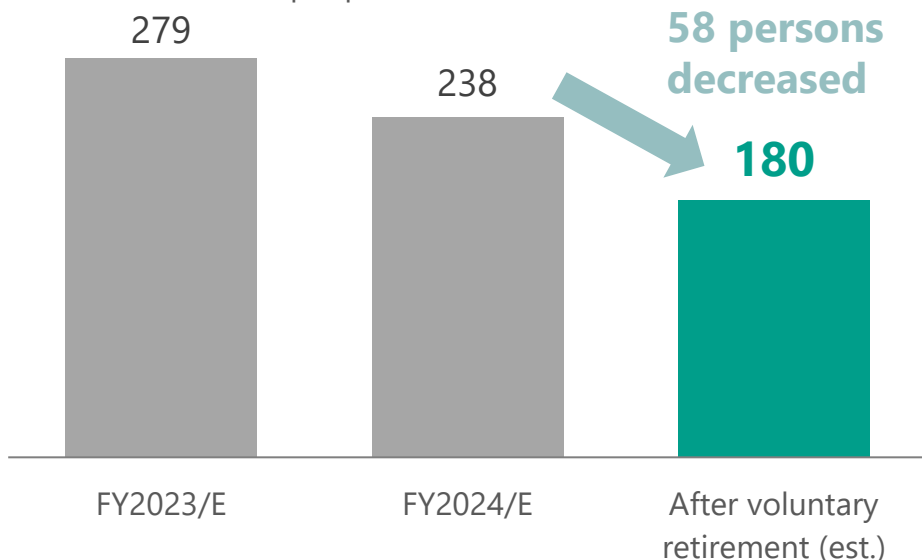
Fixed cost to be reduced by approx. JPY370 mln p.a. through the voluntary retirement

Net income/loss is approx. JPY500 mln in deficit due to extraordinary loss, and corporate taxes and profit/loss attributable to non-controlling interests related to Qsai

Headcount Changes of Euglena Co. alone^{*1}

- 58 employees applied for the voluntary retirement program
- Recorded an extraordinary loss of JPY 260 million in Q1
- Expecting **fixed cost reduction by an approx. JPY370 mln annually**

Unit : Number of people



(Unit: JPY million)	FY2024 Q1	FY2025 Q1	YoY
Sales	11,154	11,936	+781
Cost of sales	(3,130)	(3,600)	△469
Gross profit	8,024	8,336	+312
Gross margin rate	72%	70%	△2.1%
Operating income	302	618	+316
Non-operating income/loss	(36)	(182)	△146
Ordinary income	266	436	+170
Extraordinary income/loss	(482)	(261)	+222
Income taxes	408	(330)	△738
Profit/loss attributable to non-controlling interests	(0)	(353)	△353
Net income/loss attributable to owners of parent	192	(507)	△699
Adjusted EBITDA	1,071	1,546	+474

Foreign exchange impact & decrease in subsidy income

Loss due to voluntary retirement program

Profit expansion of Qsai

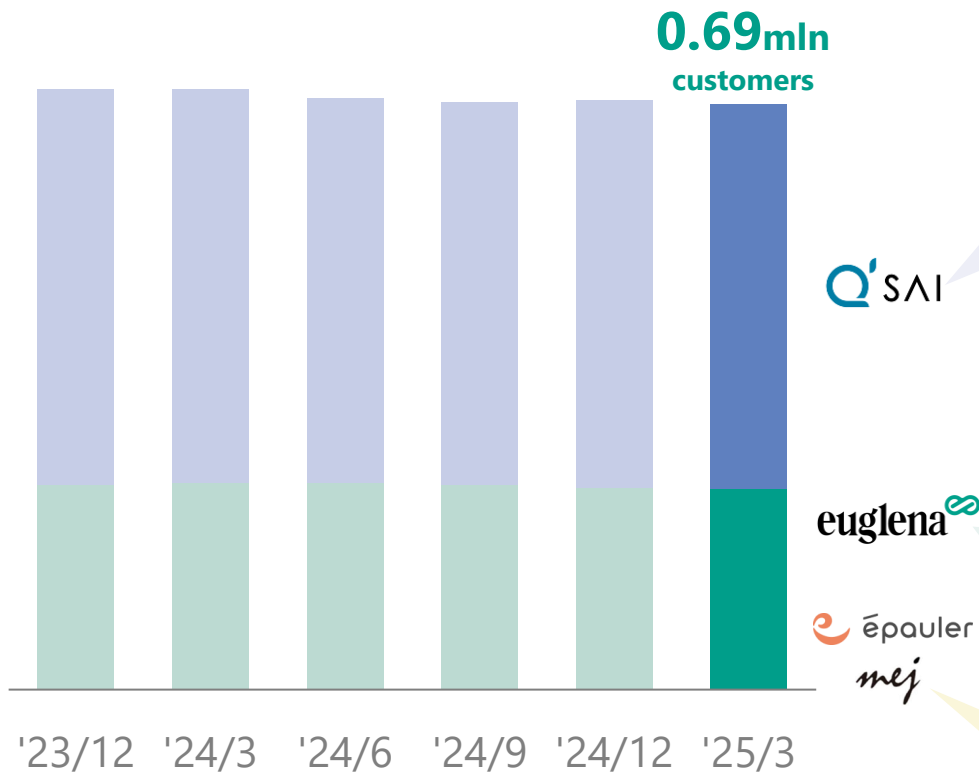
Loss due to subsidiary divestment

Healthcare Business

Number of Subscribers (D2C) - Trends by Major Brand

Promoted profit-oriented management by allocating advertising investment to brands with high investment efficiency

Trends in the Number of Subscribers (Group D2C)



Trends by Major Brand (FY2025 Q1)

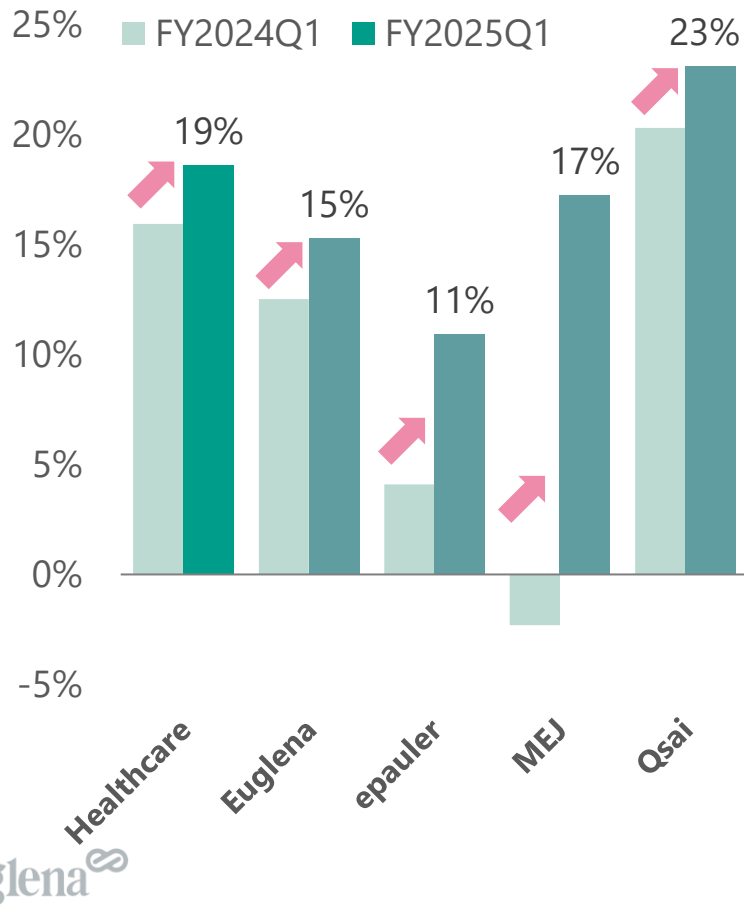


Creating a Robust Profit Structure - Efforts on Profitability Improvement

Adjusted EBITDA margins improve across Healthcare group companies

Various profit structure reforms have enabled increase in profitability while sustaining ad investments

Adjusted EBITDA Margin



Profit Structure Improvement Measures across the Group

Gross Margin Enhancement

Increase in unit sales price

- Price revision for *Euglena* for Healthcare regular subscription (from Nov 2024)
- Price revision for Cola-rich (from Jan 2025)



Factory profitability improvement in subsidiaries

- Productivity improvement through knowledge sharing between factories
- Operating rate improves via expanded contract manufacturing (intra-group and external)



Cost Reduction

Cost reduction initiatives across Healthcare group companies

- Reevaluation of promotional materials (e.g., package inserts) and optimization of suppliers
- Call center internalization with enhanced operational efficiency
- Shipping cost reduction through bi-monthly subscription growth



Nurturing Growth Brands and Loyal Customers - Microneedles

Focus on horizontal expansion of our successful knock-injection microneedle products

CONC

- **"Wrinkle Injection"**, the first non-medical knock-injection microneedle product, continued to perform well
- **Enhanced online advertising** to pioneer new acquisition channels



Expanding Channels

- Launched **"CONC LABO"**, a sister brand for wholesale channels
- Introduced to **almost all** LOFT and PLAZA stores nationwide, along with some AEON stores



Broadening Application

épauler

- Launched new scalp essence **"FUSARI Scalp Injection"**
- **Cross-selling performed well**

euglena

- Preparing new products with new ingredients meeting summer skincare needs



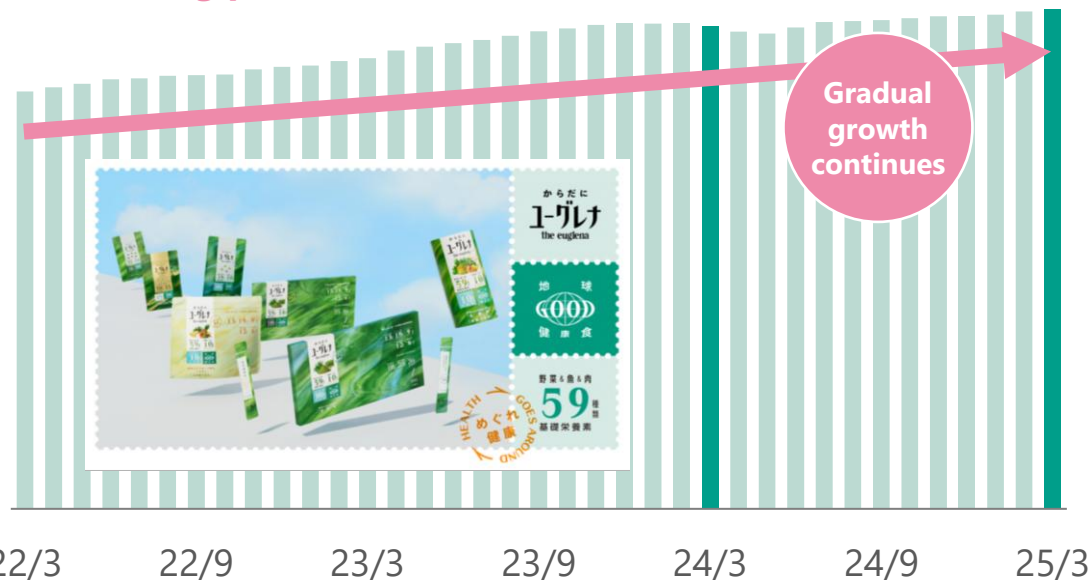
Nurturing Growth Brands and Loyal Customers - Euglena

Attracting new customers with functional benefits, in addition to targeting seniors & families

Expanded touchpoints with existing customers to create opportunities to increase their continued support

Euglena for Healthcare

- Continued efforts targeting senior generation
- Strengthened approach to families with small children
 - Expanded SNS marketing and promotions
 - Strong performance in EC mall sales**



Approach to New Customers

- Relaunched "**Euglena for Healthcare - foods with functional claims (sleep, fatigue, and stress)**"
- A smooth start driven by triple appeals: **improved sleep, stress relief, and reduced fatigue**



Approach to Existing Customers

- Intensified engagement through "Euglena Airport", our official fan community
- Hosted customer tours in Ishigaki Island, **deepening company and product knowledge**



Strengthening the Manufacturer Function

Promoted *Euglena* awareness and ingredient marketing as an ingredient manufacturer

Expanding Ingredient Awareness and OEM Partners

Expanding Awareness of *Euglena* as Functional Ingredient

- Alinamin Pharmaceutical launched "ALINAMIN NIGHT RECOVER KAIMIN EUGLENA"
- Contributed to *Euglena* awareness through continuous TV commercials and distribution to drugstores and convenience stores



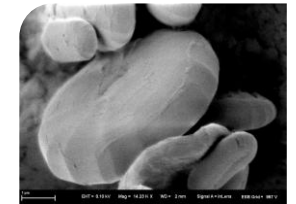
Strengthened OEM for drugstores and overseas markets

- Continued to enhance drugstore OEM partnerships
- Initiated China-focused OEM operations



R&D for Functional Validation

- Presented findings from joint research on **Paramylon's immune-modulating function** at an academic conference*¹
- Confirmed **potential to suppress excessive inflammation** under conditions of strongly activated innate immunity



Euglena-derived Paramylon

Domestic and Global Ingredient Promotion

Japan

- Exhibition participation "Mokatsu (Algae Life)"
- Continued pop-up exhibitions at Marui Group stores



Overseas

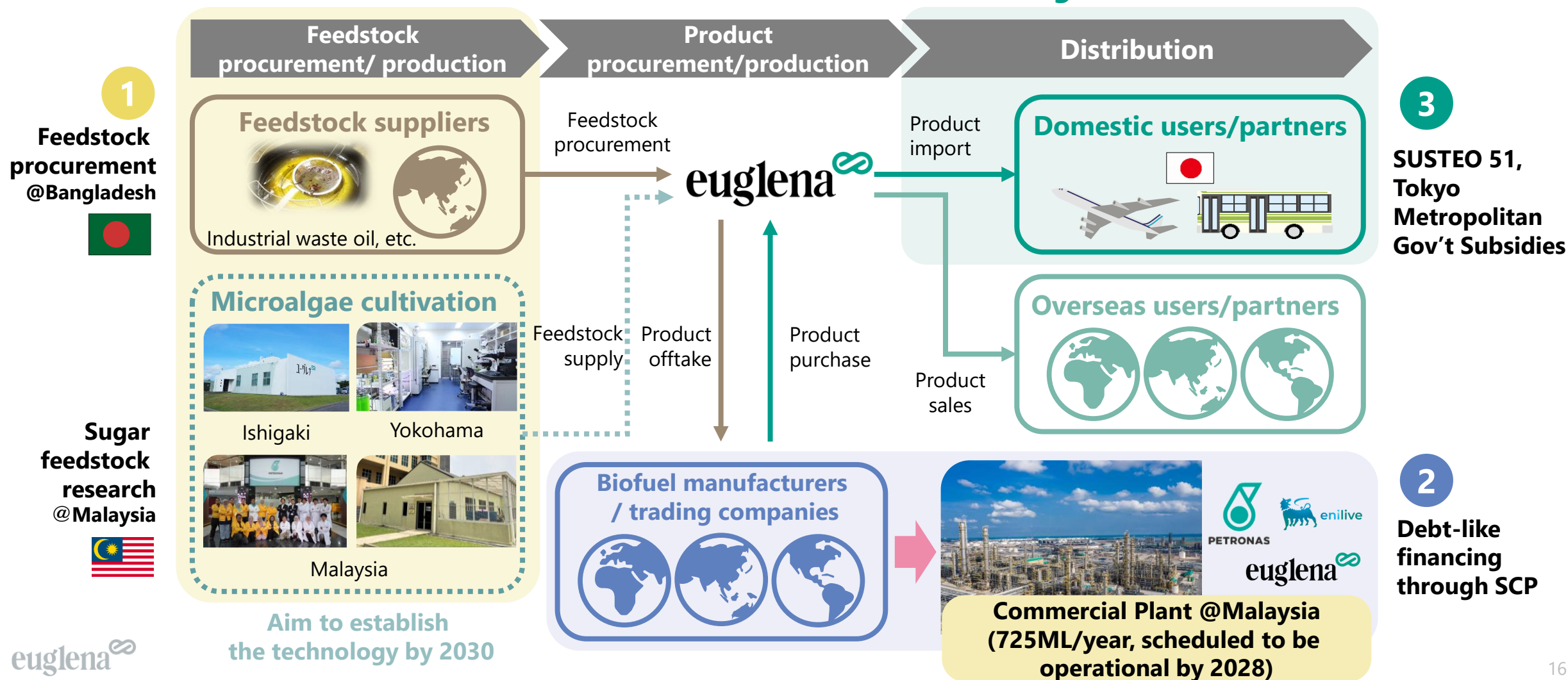
- Exhibited at Asia's largest food trade show



Biofuel Business

Business Model - FY2025 Key Progress

Developing overseas feedstock sources, fundraising to increase our shares in the commercial plant JV, and efforts to create domestic demand for biofuels, toward handling 100ML biofuels

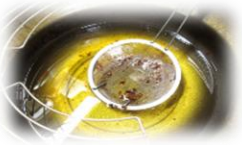


1 Feedstock Procurement - Secured funding from Global South Subsidy

Launched research initiatives to accelerate feedstock procurement using cooking oil /oilseed crops, and securing sugar feedstock for microalgae cultivation

Feedstock procurement for biofuel@Bangladesh

Industrial waste oil



- Research on used cooking oil collection and oilseed crops cultivation*1
- Aim to develop social business contributing to poverty alleviation, job creation, and zero CO₂ emission



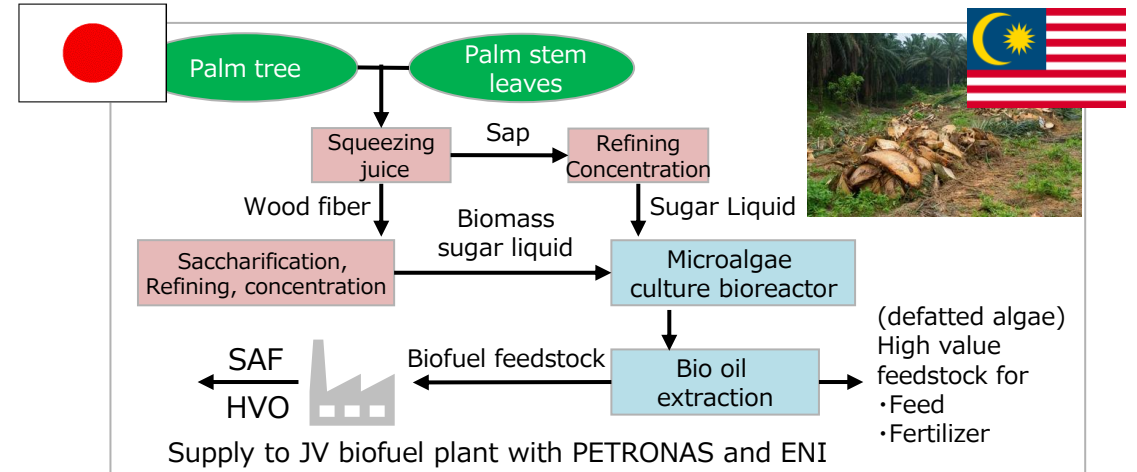
Signed a MoU with Gazipur Agricultural Univ. to initiate a joint research

Sugar feedstock for microalgae cultivation@Malaysia

Microalgae cultivation



- Research on using palm agricultural residue biomass*2
- Aim to secure biomass-derived sugar feedstock for algae-based oil production



Business model under this feasibility study

*1: Our project "Feasibility Study for Establishing a Sustainable Aviation Fuel (SAF) Feedstock Supply Chain in the People's Republic of Bangladesh" (Period: Feb. to Dec. 2025; Main activities: research on used cooking oil (UCO) collection and oilseed crop cultivation) has been selected for funding under the Ministry of Economy, Trade and Industry's FY2023 Supplementary Budget Subsidy Program for Future-Oriented Co-Creation Projects in the Global South.

*2: Our project "Feasibility Study on the Utilization of Palm Agricultural Residue Biomass as a Sugar Feedstock for Microalgae Cultivation in Malaysia" (Period: Apr. 2025 to Feb. 2026; Main activities: assessment on biomass availability, resource conversion processes, business model, and applicability of conversion technologies) has been selected for the same scheme above

2 Commercial Plant - Project Overview and Progress

Construction initiated in 2025, operations expected to start by 2H of FY2028

5% investment in JVCo completed in Dec 2024; aiming to increase to 15% stake for handling approx. 100ML annually

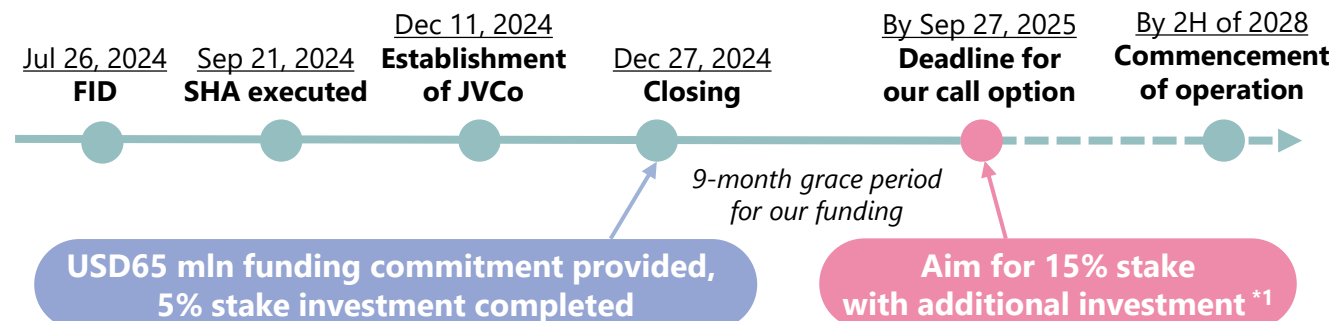


- Constructed in PETRONAS's Pengerang Integrated Complex (PIC)
- Production capacity: approx. 725 MLp.a. Flexible production of SAF and HVO
- Project amount: approx. USD1.3 bln



With 15% stake,
aiming to handle
approx. 100 ML annually

Schedule (Planned)



Our Earnings Potential*2

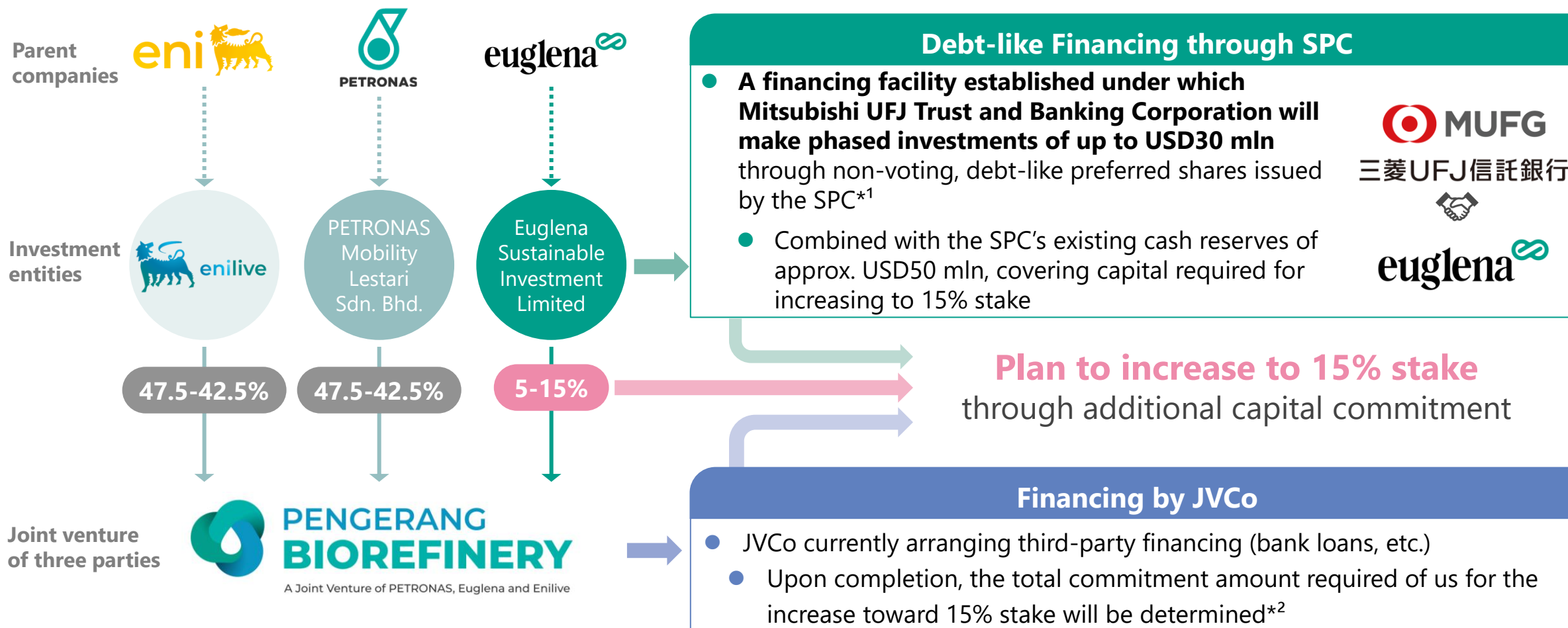
- Sales (feedstock/product trading):
approx. JPY30 bln/year
- Profit before tax (excl. impact of financing):
over JPY6 bln/year + Trading profits

*1: Total capital commitment based on equity shareholding (including equity contributions and bank guarantee provisions)

*2: Assuming our share of 15% (equivalent to approx. 100ML/year), biofuel price @JPY300/L, the JVCo's net profit margin of 20%+, dividend payout ratio of 100%, and no financing such as bank loans.

2 Commercial Plant - Progress toward increasing to 15% stake

A debt-like financing facility of up to USD30 mln established through SPC



*1: The preferred shares are non-recourse in nature, with dividends and redemption funds limited to cash flows generated from the project. After a certain period from the issuance date, both call and put options may be exercised for cash consideration.

*2: The total capital commitment (incl. equity contributions, shareholder loans and bank guarantees) required for our additional equity investment to reach a 15% stake is expected to decrease as a result of third-party financing arranged by the joint venture company.

3 Creating HVO Demand in Japan - SUSTEO 51, Subsidies from Tokyo Gov't

Developed SUSTEO 51 compatible with the regulation*¹ to accelerate HVO use in Japan*²

Selected as the leading company for the Tokyo Metropolitan Gov't "New Energy Promotion Technology Development Support Program"*³ to advance demonstration and social implementation

SUSTEO 51's Comparative Advantage

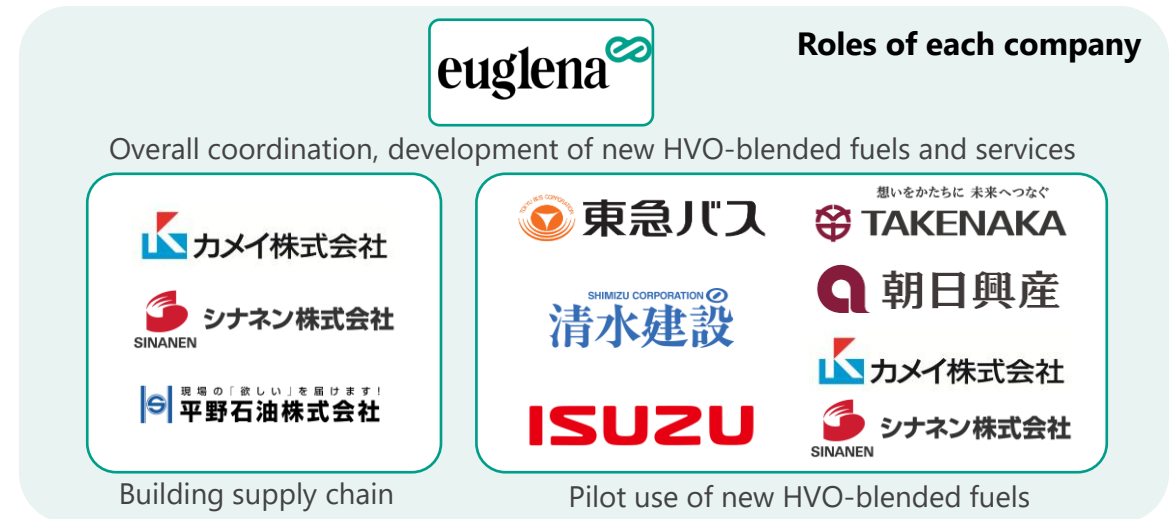
- Vehicles using **SUSTEO 51 are classified as non-fossil energy vehicles**, alongside EVs, PHEVs, and hydrogen fuel cell vehicles (FCVs), under the revised Energy Conservation Act
 - By introducing SUSTEO 51, companies can meet the obligations to submit medium- to long-term plans and periodic reports on the transition to non-fossil energy sources
- SUSTEO 51 manufacturing method under patent application



Sumitomo Mitsui Banking Corporation introduced a Mazda diesel vehicle using SUSTEO 51 as a company car, with the view of decarbonization and BCP

Secured a new subsidy from Tokyo Metropolitan Gov't

- Following subsidized projects*⁴ last year, continue to promote HVO use in Japan
- By leveraging the subsidies, **reduce user's financial burden introducing HVO**



Leading a consortium of 9 member companies

*1: Act on the Rational Use of Energy and Conversion to Non-Fossil Energy (enforced in April 2023) promotes the rational use of all energy sources, including non-fossil energy, and encourages the optimization of electricity demand. It mandates the submission of medium- to long-term plans and periodic reports by designated entities, including specified business operators, freight/passenger transport operators, and major cargo owners.

*2: Diesel fuel blended with 51% HVO

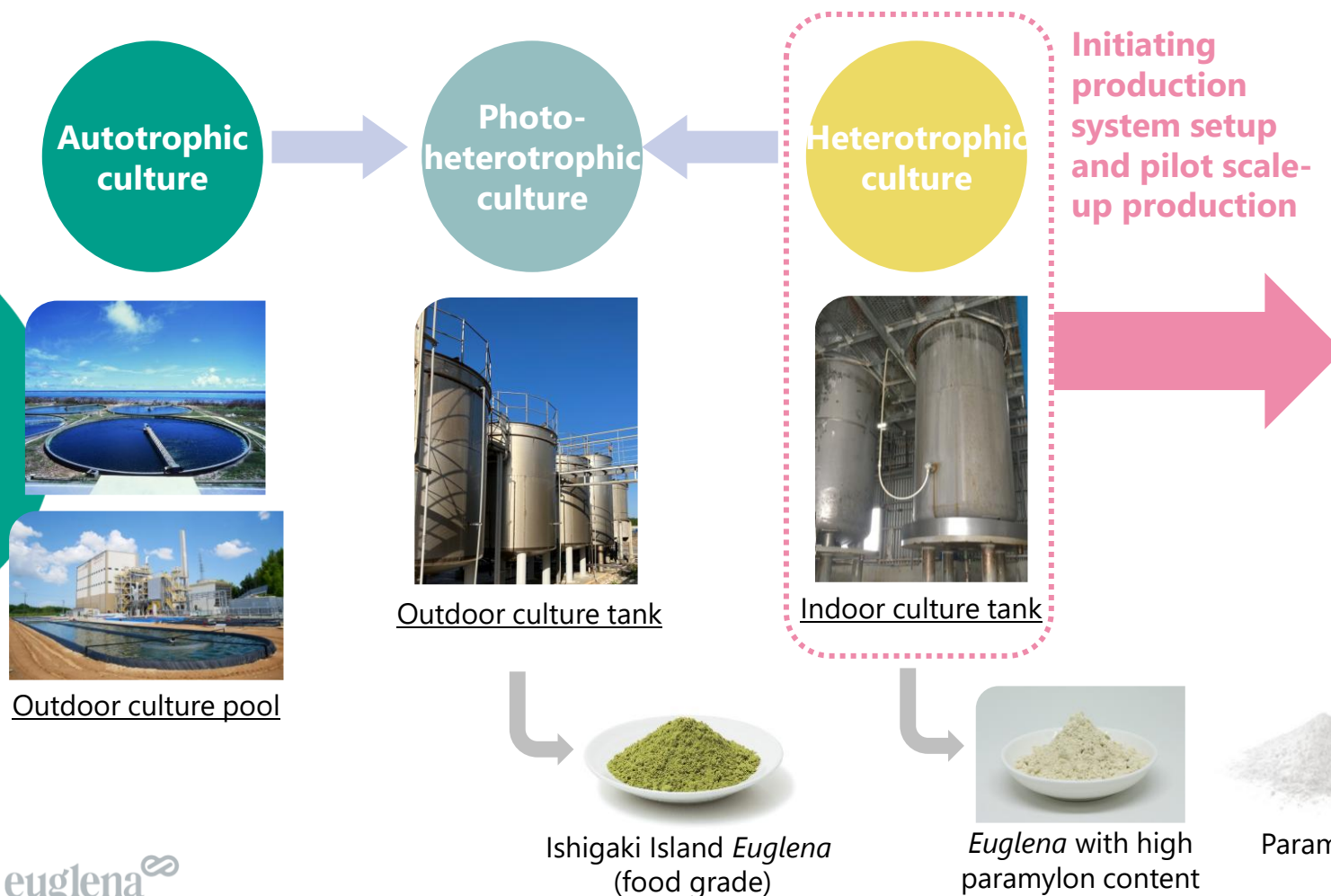
*3: Eligible initiatives include research, technology development, demonstration, and implementation of products and services that contribute to the utilization and dissemination of new energy sources. The implementation period up to three years from the date of grant approval. The maximum subsidy is JPY3 bln per group, covering up to two-thirds of eligible expenses.

*4: Selected for the Tokyo Metropolitan Gov't "Business Promotion Support Program for Biofuel Utilization" (<https://www.euglena.jp/news/20240830-2/>)

R&D

Large-scale Cultivation - Pilot Scale-up Production through Indoor Tank Culture

Promoting production system setup and pilot scale-up production by indoor tank cultivation, with the aim to create new demand by mass production and cost reduction



Progress on pilot scale-up production

- Achieved **high-lipid, high-density tank cultivation** of *Euglena* (reaching approx. **10 times higher density compared to photoheterotrophic cultivation** for healthcare products)
 - Improving biomass yield per cultivation capacity **significantly reduces production costs**



Microalgae *Euglena* produced through high-density cultivation trials

Aiming to establish commercial production capability of Paramylon powder and *Euglena* for feed/fertilizer use as precursor to biofuel feedstock production

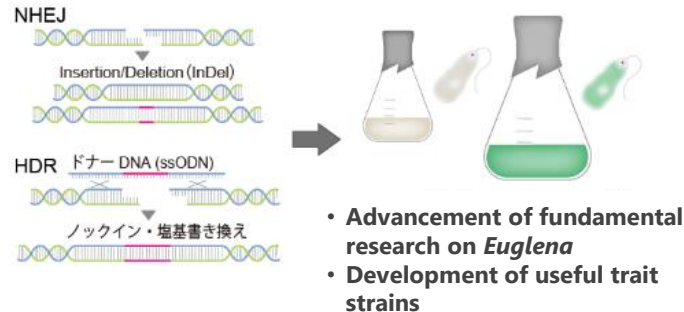
Genome Editing - Progress Toward Commercial Use of Genome-Edited Strains

Successfully improved *Euglena* strains using the Japanese genome editing technology CRISPR-Cas3^{*1}

Pinpoint genome editing technology

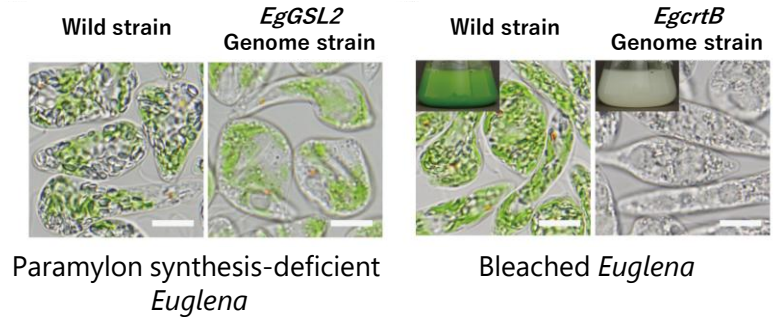
- Enables flexible and precise creation of useful trait strains
- Offers higher precision and safety than genetic modification, enhancing feasibility for practical use

Acquisition of genome-edited *euglena* strains



Progress Through FY2024

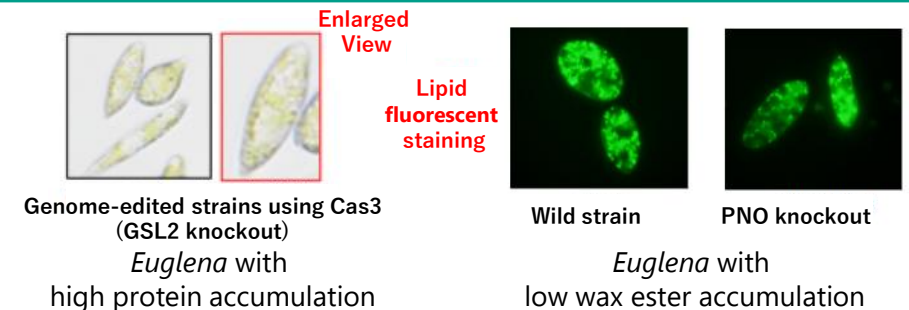
- Established **highly efficient genome editing technology** using Cas12a, following earlier success with Cas9^{*2}
- Succeeded in precise base editing at the single-nucleotide level
- Developed strains primarily intended for biofuel applications



➡ Despite the well-established technology, uncertainties around patent fees and licensing conditions remain a challenge for commercial use

Progress in FY2025

- Successfully edited *Euglena* genome using the **Japanese genome editing technology CRISPR-Cas3^{*3}**
- Developed improved strains with potential for food-grade applications



➡ The use of domestic technology with clearly defined IP rights facilitates more speedy industrial deployment

*1: Technology with similar technical features to CRISPR-Cas9, licensed exclusively with sublicensing rights by C4U (a biotech venture from Osaka University)

*2: Joint research with RIKEN, "Enhanced genome editing technology for microalgae *Euglena* (2024/2/1)" (<https://www.euglena.jp/news/20240201-2-2/>)

*3: Joint research with C4U, "Successfully improved *Euglena* strains using the Japanese genome editing technology CRISPR-Cas3" (<https://www.euglena.jp/news/20250417-1/>)

Appendices : Financial Summary

Company Overview



Foundation	August 09, 2005	
Headquarters	5-29-11 Shiba, Minato ku, Tokyo, Japan	
Capital stock	JPY 16,331 million	As of the end of Mar. 2025
Headcount*1	1,168 (Consolidated)	As of the end of Dec. 2024
Subsidiaries	16 consolidated subsidiaries, including 4 Q'sai group companies, 1 overseas joint venture	
	As of the end of Mar. 2025	
Philosophy	Sustainability First	
Purpose	Make People and the Earth Healthy	
Listings	Prime Market of the Tokyo Stock Exchange	
Ticker	2931	
Number of Shareholders	118,596	As of the end of Dec. 2024

Consolidated Income Statement

	FY12/2024															FY12/2025		
	total					o/w Euglena ^{*1}					o/w Q'sai					total	o/w Euglena ^{*1}	o/w Q'sai
(JPY million)	Q1	Q2 ^{*4}	Q3	Q4	total	Q1	Q2 ^{*4}	Q3	Q4	total	Q1	Q2	Q3	Q4	total	Q1	Q1	Q1
Sales (Based on new segmentation)	11,154	12,495	11,624	12,345	47,619	4,770	6,225	5,406	5,800	22,201	6,384	6,269	6,218	6,546	25,418	11,936	5,452	6,484
Direct Sales (BtoC)	8,287	8,208	8,132	8,449	33,076	2,485	2,590	2,597	2,705	10,377	5,802	5,619	5,535	5,744	22,700	8,277	2,518	5,759
Wholesale (BtoB)	854	915	949	1,150	3,868	271	264	301	370	1,206	583	651	649	780	2,662	976	278	698
OEM, Ingredients Supply, Overseas	327	1,930	1,793	1,802	5,852	327	1,930	1,762	1,785	5,804	0	0	31	17	48	1,646	1,631	15
Other	1,687	1,441	750	944	4,822	1,687	1,441	746	939	4,814	0	0	3	4	8	1,036	1,025	11
Cost of sales	3,130	4,085	3,401	3,735	14,351	2,002	2,945	2,270	2,477	9,694	1,128	1,140	1,131	1,258	4,657	3,600	2,470	1,130
Gross profit	8,024	8,410	8,223	8,610	33,268	2,768	3,280	3,136	3,323	12,507	5,256	5,130	5,087	5,288	20,761	8,336	2,982	5,354
Gross profit rate	72%	67%	71%	70%	70%	58%	53%	58%	57%	56%	82%	82%	82%	81%	82%	70%	55%	83%
(Healthcare Business)	76%	70%	74%	73%	73%	65%	56%	64%	64%	62%	82%	82%	82%	81%	82%	74%	62%	83%
SG&A expenses	7,722	8,512	8,264	8,470	32,967	3,198	4,050	3,691	3,520	14,459	4,523	4,461	4,573	4,950	18,508	7,718	3,300	4,417
Selling Expenses	4,967	5,161	4,927	5,211	20,266	1,761	2,013	1,771	1,803	7,348	3,206	3,148	3,156	3,408	12,918	4,737	1,656	3,081
(o/w advertising expenses)	2,596	2,771	2,657	2,802	10,825	983	1,130	933	916	3,962	1,613	1,640	1,724	1,885	6,863	2,562	872	1,690
Personnel expenses	1,141	1,445	1,500	1,561	5,646	651	951	888	899	3,389	491	494	611	661	2,257	1,367	859	509
Administrative expenses	1,433	1,682	1,624	1,472	6,211	621	880	846	640	2,987	812	802	777	832	3,224	1,447	655	792
R&D expenses	181	224	213	225	844	166	207	185	177	735	15	17	28	48	109	167	131	36
Operating income/loss	302	-102	-40	141	301	-431	-770	-555	-197	-1,953	733	668	514	338	2,253	618	-319	937
Adjusted EBITDA ^{*2}	1,071	1,051	1,125	1,083	4,330	-191	-147	82	214	-42	1,262	1,198	1,043	869	4,372	1,546	82	1,464
Non-operating income/loss	-36	-3	-153	323	131	67	99	-71	399	494	-103	-102	-82	-76	-363	-182	-80	-102
(o/w subsidy income)	23	25	50	4	102	22	22	50	3	97	2	3	0	1	6	4	4	1
Ordinary income/loss	266	-105	-193	464	432	-363	-671	-626	202	-1,459	630	567	432	262	1,891	436	-398	834
Extraordinary income/loss	-482	-303	49	-1	-737	-482	-319	49	15	-737	0	16	0	-16	-0	-261	-261	0
Net income/loss attributable to owners of parent	192	-519	-722	398	-651	na	na	na	na	na	na	na	na	na	na	-507	na	na
<Reference Indicators>																		
Depreciation and amortization ^{*3}	490	777	770	574	2,610	105	393	385	187	1,071	384	384	385	386	1,539	589	206	382
(o/w M&A-related)	360	611	610	439	2,019	48	299	298	127	773	312	312	312	312	1,246	439	127	312
Amortization of goodwill	246	244	244	244	978	103	100	100	100	404	143	143	143	143	573	244	100	143

*1: The amount excluding Qsai Group PL (after reflecting elimination of intra-company transactions between Qsai Group and other groups) from consolidated PL, including subsidiaries' PL

*2: Adjusted EBITDA is our own financial measure. The formula is EBITDA (Operating income + Goodwill Amortization and Depreciation) + Subsidy income + Stock related compensation

*3: The amount used to calculate adjusted EBITDA, which differs from the figures in the consolidated cash flow statement

*4: Allocation of goodwill recorded in conjunction with the consolidation of Saticine Medical and Japan BeauTech to identifiable assets (customer-related assets, backlog of orders) was completed in Q3 2024 and thereby FY2024/12 Q2 figures were revised retroactively

Income Statement by segment

Breakdown of business segments							
(JPY million)	FY12/2024				FY12/2025		
	'24Q1	'24Q2	'24Q3	'24Q4	total	'25Q1	total
Consolidated Total							
Sales	11,154	12,495	11,624	12,345	47,619	11,936	11,936
Q on Q	-10%	12%	-7%	6%	2%	-3%	na
Gross profit	8,024	8,410	8,223	8,610	33,268	8,336	8,336
Gross margin	72%	67%	71%	70%	70%	70%	70%
Adjusted EBITDA	1,071	1,051	1,125	1,083	4,330	1,546	1,546
EBITDA margin	10%	8%	10%	9%	9%	13%	13%
Healthcare business							
Sales	10,304	11,726	10,894	11,423	44,348	10,924	10,924
Q on Q	-5%	14%	-7%	5%	7%	-4%	na
Gross profit	7,813	8,203	8,103	8,390	32,508	8,106	8,106
Gross margin	76%	70%	74%	73%	73%	74%	74%
Adjusted EBITDA	1,642	1,609	1,732	1,584	6,568	2,033	2,033
EBITDA margin	16%	14%	16%	14%	15%	19%	19%
Biofuel Business							
Sales	118	188	306	322	934	253	253
Q on Q	-89%	59%	63%	5%	-67%	-21%	na
Gross profit	19	41	58	50	167	58	58
Gross margin	16%	22%	19%	15%	18%	23%	23%
Adjusted EBITDA	-124	-122	-89	-89	-425	-52	-52
Other Business							
Sales	732	581	429	606	2,348	763	763
Q on Q	57%	-21%	-26%	41%	3%	26%	na
Gross profit	192	165	64	172	592	172	172
Gross margin	26%	28%	15%	28%	25%	23%	23%
Adjusted EBITDA	-65	-100	-166	-85	-415	-80	-80
EBITDA margin	-9%	-17%	-39%	-14%	-18%	-10%	-10%
Corporate							
Sales	0	-0	-5	-6	-11	-5	-5
Gross profit	0	1	-1	-1	-0	-0	-0
Adjusted EBITDA	-382	-337	-352	-327	-1,398	-356	-356

Breakdown of healthcare business							
(JPY million)	FY12/2024				FY12/2025		
	'24Q1	'24Q2	'24Q3	'24Q4	total	'25Q1	total
Euglena Healthcare^{*1}							
Sales	2,005	2,082	2,067	2,458	8,613	2,061	2,061
Gross profit	1,490	1,479	1,504	1,755	6,228	1,527	1,527
Gross margin	74%	71%	73%	71%	72%	74%	74%
Adjusted EBITDA	251	28	224	368	871	315	315
EBITDA margin	13%	1%	11%	15%	10%	15%	15%
epauler							
Sales	869	847	881	943	3,540	831	831
Gross profit	673	670	676	712	2,732	631	631
Gross margin	77%	79%	77%	75%	77%	76%	76%
Adjusted EBITDA	36	42	75	110	262	91	91
EBITDA margin	4%	5%	9%	12%	7%	11%	11%
MEJ							
Sales	302	284	276	253	1,114	206	206
Gross profit	216	243	224	208	891	170	170
Gross margin	72%	86%	81%	82%	80%	83%	83%
Adjusted EBITDA	-7	14	72	50	129	36	36
EBITDA margin	-2%	5%	26%	20%	12%	17%	17%
Q'sai group^{*2}							
Sales	6,428	6,319	6,257	6,591	25,596	6,536	6,536
Gross profit	5,300	5,180	5,121	5,329	20,930	5,402	5,402
Gross margin	82%	82%	82%	81%	82%	83%	83%
Adjusted EBITDA	1,305	1,248	1,077	910	4,541	1,511	1,511
EBITDA margin	20%	20%	17%	14%	18%	23%	23%
Saticine Medical group^{*3}							
Sales	13	1,659	1,567	1,310	4,548	1,437	1,437
Adjusted EBITDA	-5	222	305	149	672	91	91
EBITDA margin	-39%	13%	19%	11%	15%	6%	6%
hako inc, within business/elimination^{*4}							
Sales	686	535	-153	-132	937	-147	-147
Adjusted EBITDA	62	55	-20	-3	93	-11	-11

*1: Total of Euglena's Healthcare Business and subsidiaries LIGUNA(merged into Euglena Co. after 2024 Q3), Yaeyama Shokusan, and Shanghai Euglena (liquidated in FY2024Q1)

*2: Total of Q-Partners, Qsai, Qsai Products, Qsai Farm Shimane, and CQ ventures (dissolved in an absorption-type merger in Jan FY2024). Figures differ from those on the previous page due to elimination of intra-company transactions

*3: Three companies, i.e., Saticine Medical, JAPAN BeauTech, and NAYUTA. Made Saticine Medical and JAPAN BeauTech consolidated subsidiaries at the end of March, 2024 (deemed acquisition date) and NAYUTA at the end of February, 2024 (deemed acquisition date)

*4: Total of common expenses for the entire healthcare business, elimination of intra-company transactions in healthcare business, and Hako (transferred shares at the end of June, 2024)

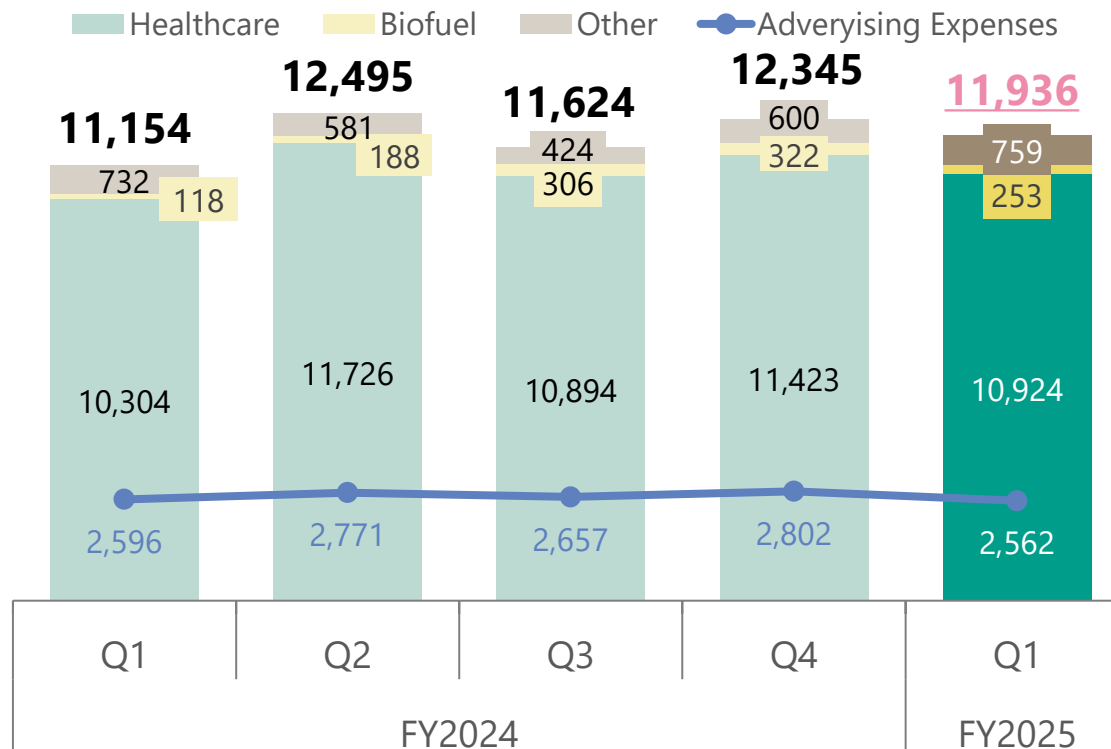
Quarterly Financial Performance Trend - Sales/Adjusted EBITDA

Adjusted EBITDA improved significantly QoQ due to various efforts in Healthcare business

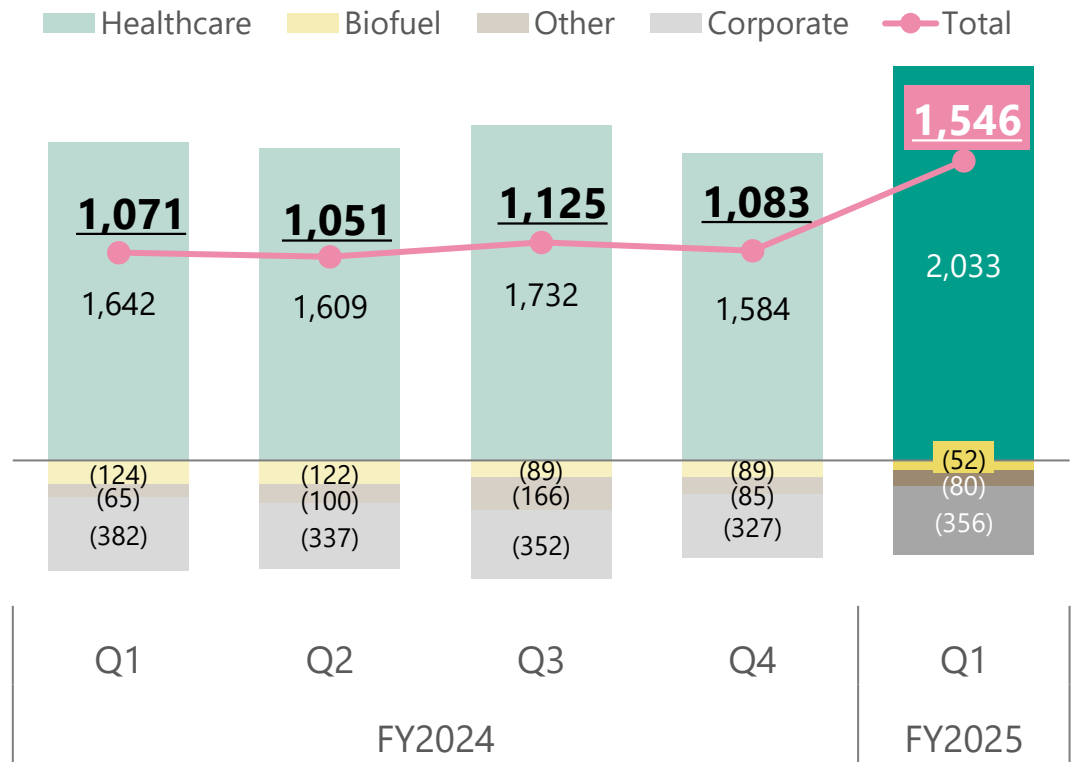
Sales decreased QoQ due to the impact of advance shipments in OEM and seasonal factor (= decrease in the number of shipment days) in Direct sales

Sales*1

Unit : JPY Million

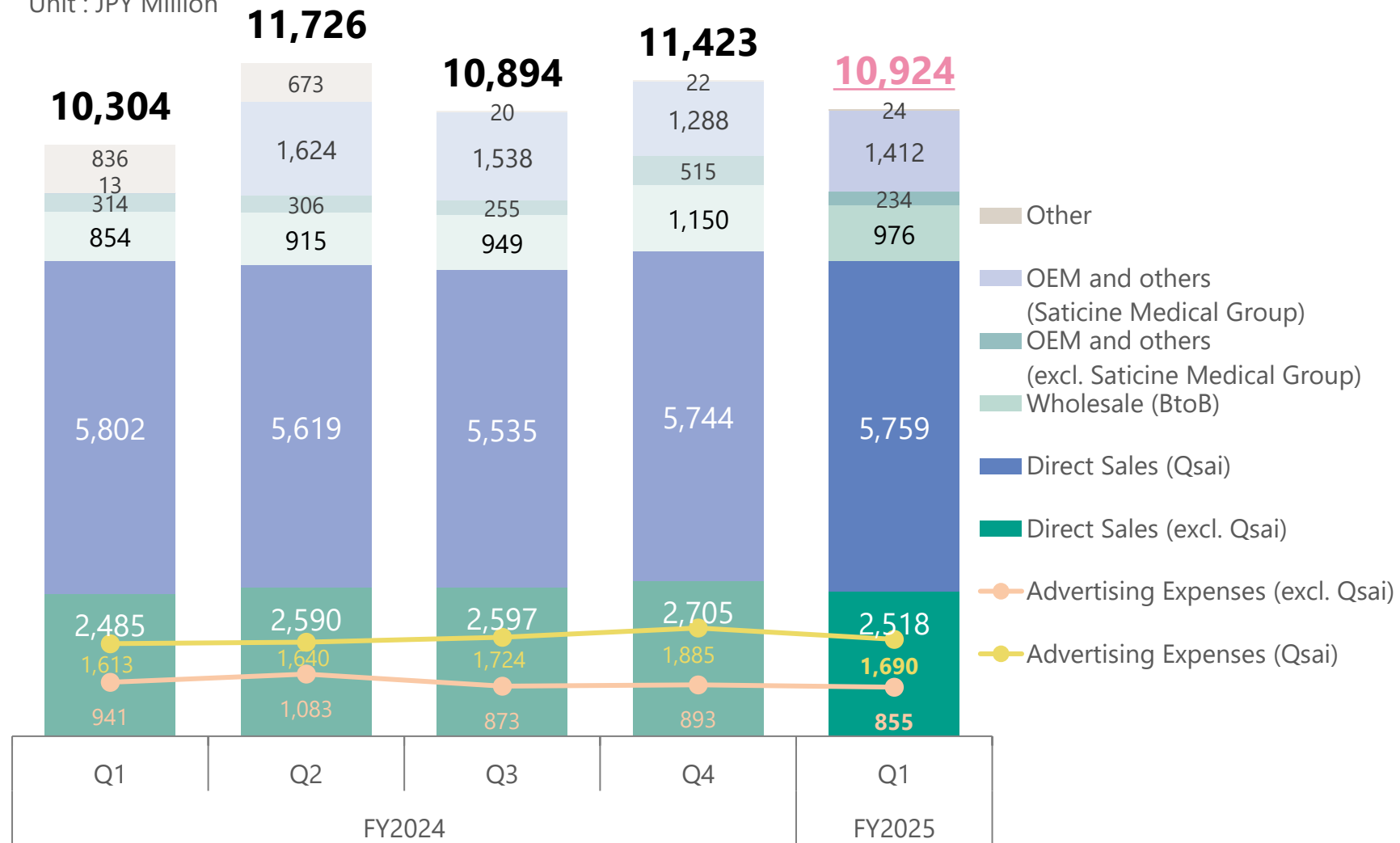


Adjusted EBITDA



Quarterly Financial Performance Trend - Healthcare Sales

Unit : JPY Million



Direct sales decreased QoQ due to the impact of expanded advertising investment in the previous Q4 and the reduction in the number of shipment days

While Saticine Medical sales expanded, total OEM sales decreased QoQ due to the impact of advance shipments in the previous Q4

Consolidated Balance Sheet

Saticine Medical
Group
consolidated *1

Allocation of acquisition
cost of Saticine Medical
Group completed

(JPY million)	12/2023	3/2024*2	6/2024*2	9/2024	12/2024	3/2025
Current assets	24,431	29,438	29,196	29,408	30,865	30,094
Cash and cash equivalents	15,792	18,855	19,091	19,806	20,631	19,051
Inventory	3,685	4,360	4,364	4,033	3,661	4,150
Other	4,954	6,223	5,741	5,570	6,573	6,893
Non-current assets	35,188	44,279	43,494	42,180	42,391	41,467
Property, plant and equipment	5,507	6,971	6,681	6,185	6,048	5,972
Intangible assets	27,764	35,879	35,085	34,243	33,565	32,911
(Goodwill)	11,639	12,963	12,719	12,475	12,231	11,988
(Customer related intangible assets)	14,796	21,237	20,816	20,396	19,976	19,555
Investments and other assets	1,917	1,429	1,729	1,752	2,778	2,585
Total assets	59,619	73,717	72,690	71,588	73,256	71,561
Total liabilities	39,405	42,819	41,422	40,835	41,143	39,972
Total current liabilities	12,271	13,038	12,278	12,152	12,812	11,940
(Short-term borrowings)	3,294	4,558	4,403	4,360	4,145	3,874
Total long-term liabilities	27,133	29,782	29,143	28,683	28,331	28,032
(Long-term borrowings)	16,972	18,090	16,688	16,033	15,964	15,695
(Deferred tax liabilities)	4,857	6,230	6,037	6,230	5,944	5,916
(Bonds)	4,800	4,800	5,800	5,800	5,800	5,800
Total equity	20,215	30,898	31,269	30,753	32,113	31,589
Shareholders' equity	20,070	30,826	31,183	30,469	30,918	30,457
(Capital stock)	15,868	15,868	16,306	16,306	16,331	16,331
(Capital surplus)	15,199	16,419	16,857	16,857	16,882	16,882
(Accumulated deficit)	(10,962)	(1,426)	(1,945)	(2,659)	(2,261)	(2,722)
Other	144	72	86	284	1,195	1,132
Total liabilities and total equity	59,619	73,717	72,690	71,588	73,256	71,561

*1: Three companies, i.e., Saticine Medical, JAPAN BeauTech, and NAYUTA. Made Saticine Medical and JAPAN BeauTech consolidated subsidiaries at the end of March 2024 (deemed acquisition date) and NAYUTA at the end of February 2024 (deemed acquisition date). In the BS prepared at the end of Mar 2024, a provisional amount (JPY6,914 mln) is shown for goodwill amortization related to the consolidation of Saticine Medical group. Allocation of acquisition cost was completed in Q3, and the amount of goodwill was revised to JPY1,899 mln

*2: The allocation of goodwill to identifiable assets (customer-related assets and order backlog) associated with the consolidation of Saticine Medical and Japan Beautech was completed in FY2024 Q3. The figures for the end of March 2024/ June 2024 have been adjusted retrospectively

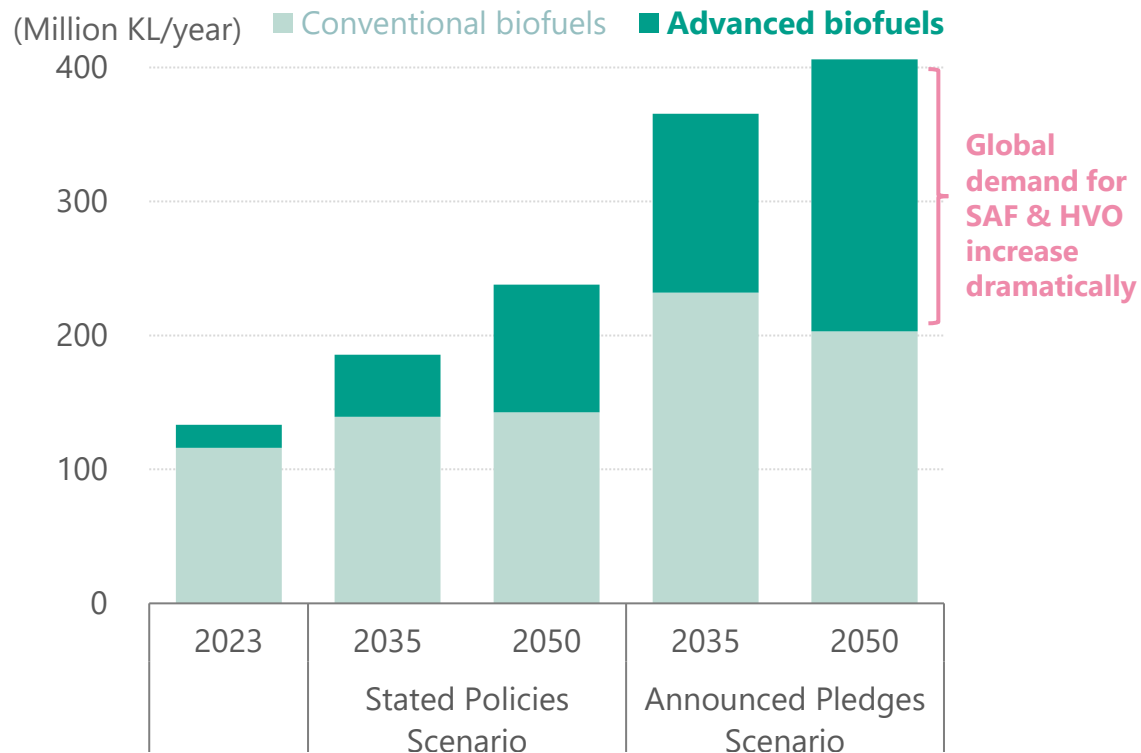
Appendices : Biofuel Market Trends

Global Biofuel Market Trend

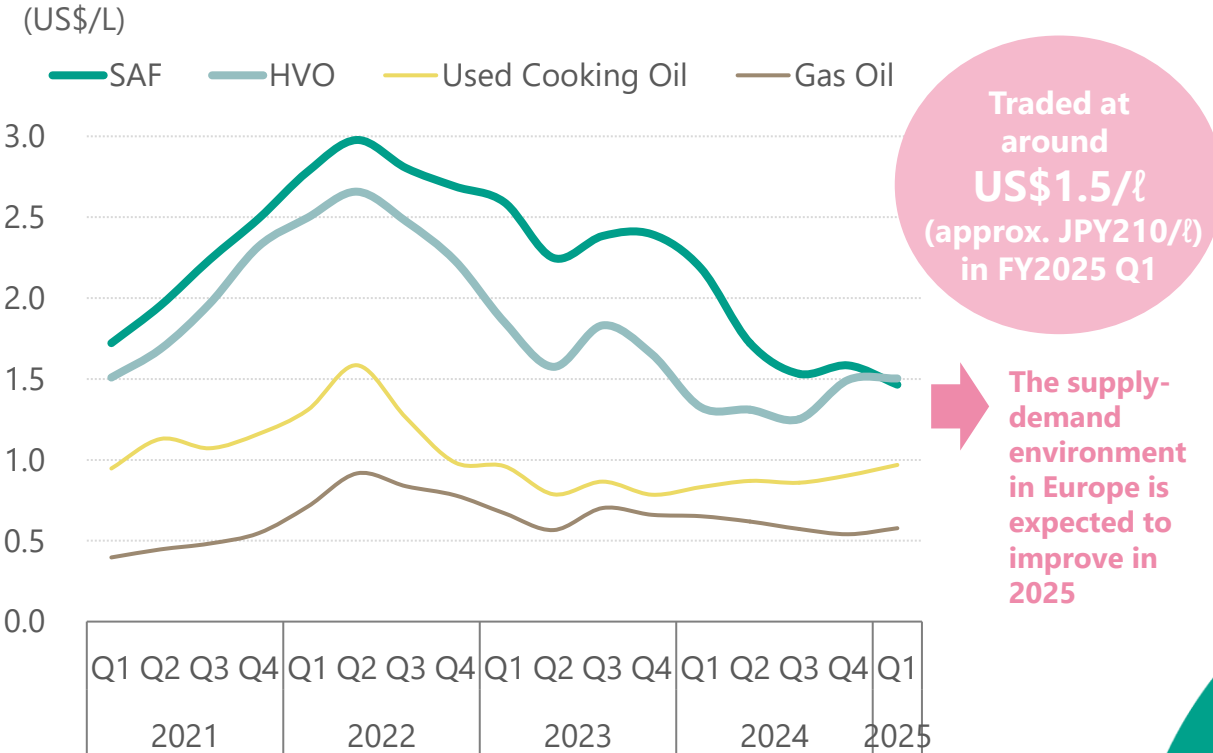
Introduction of mandates and incentives globally is expected to accelerate biofuel demand

Biofuel prices are currently stagnant due to increased supply and US policy change, but are expected to recover in the mid-term due through the improvement in supply-demand balance

Expected Biofuel Consumption in the World *1, 2



Biofuel price (Europe)*3



*1: Prepared based on the data from IEA "World Energy Outlook 2024"(2024)

*2: "Conventional biofuel" = 1G biofuel derived from agricultural crops, "Advanced biofuel" = Biofuel produced from sustainable feedstock that do not compete with food production, such as waste and non-edible plants

*3: The illustrative trends based on Argus Co. data, assuming a specific gravity of 0.8 g/cm3 fuel and 0.9 g/cm3; actual prices vary depending on regions and trading conditions.

Global SAF Introduction Policies and Demand Outlook

EU and UK introduce 2% SAF mandates in 2025. The global SAF demand will further expand toward 2030 due to the introduction of CORSIA*¹ and regulations in the other countries

National policies for biofuel introduction

CORSIA

- Reduce CO₂ emissions by up to 85% of 2019 levels
- Voluntary implementation from 2024 (126 participating countries), to be applied in principle to all ICAO (International Civil Aviation Organization) member countries from 2027

Europe



- EU RED III
- ReFuel EU

Asia and other



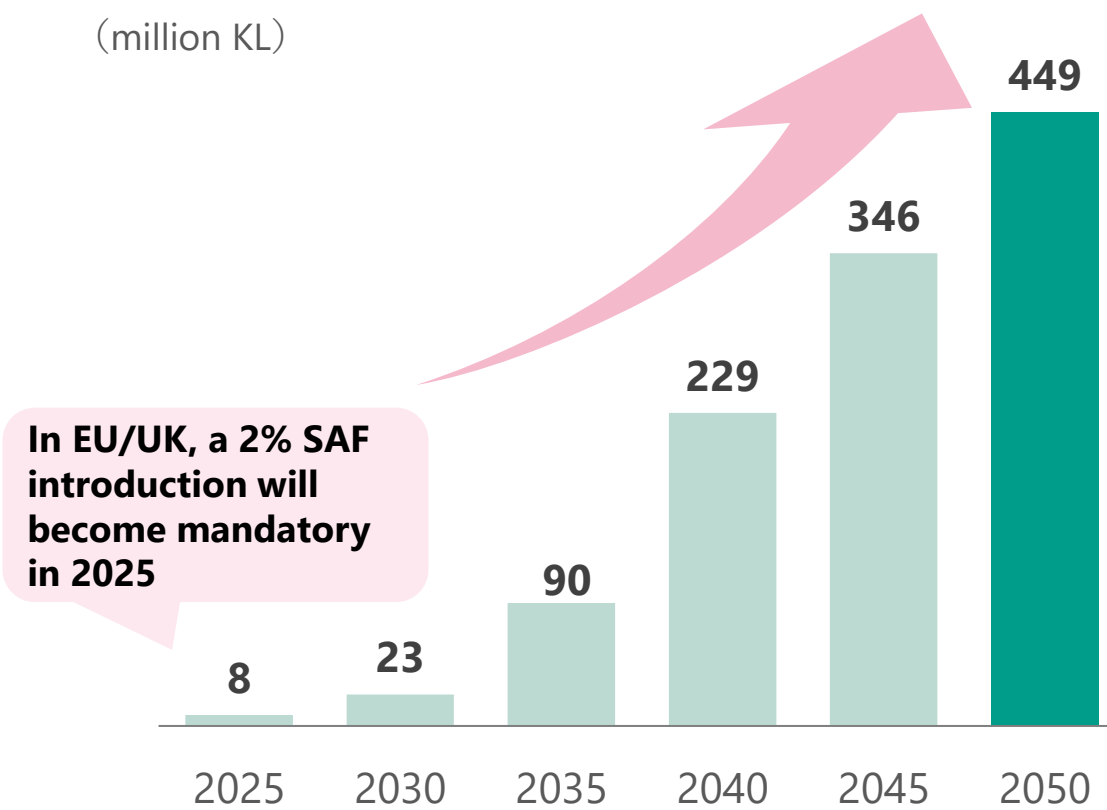
- Japan
- ⇒10%@2030~

North America



- Grand Challenge
- RFS/LCFS, etc.

Global SAF demand forecast*²



*1: Abbreviation of Carbon Offsetting and Reduction Scheme for International Aviation
*2: Based on IATA's "Sustainable Aviation Fuel Fact Sheet" and ICAO website.

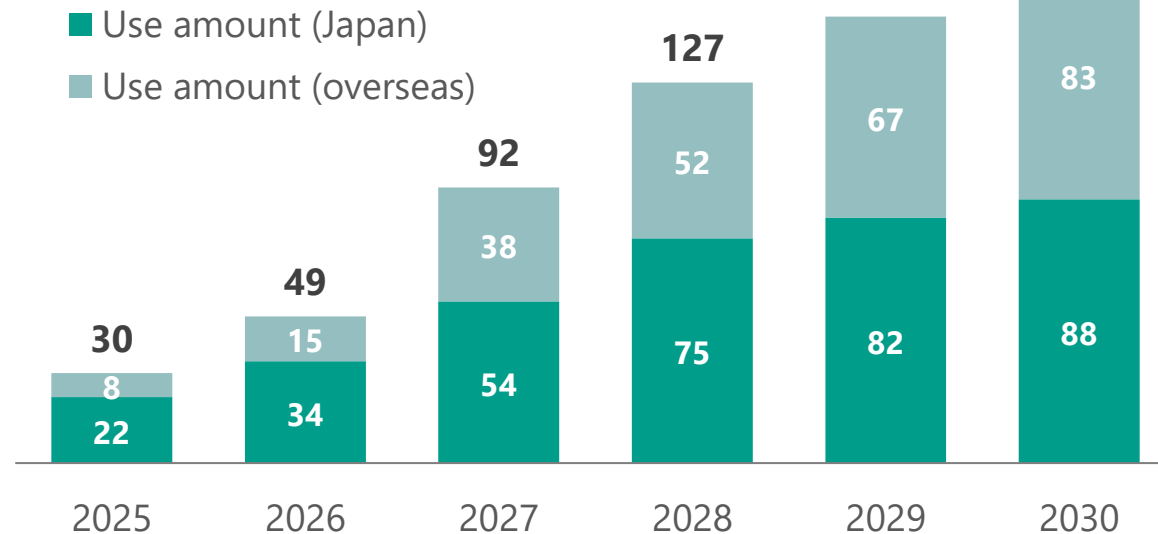
Growing Trends in Biofuel Introduction in Japan

Momentum toward decarbonization and biofuel introduction is also accelerating in Japan

Japan's SAF demand forecast*1

- The Ministry of Economy, Trade and Industry (METI) has proposed a policy requiring oil distributors to reduce CO₂ emissions from domestically produced and supplied jet fuel by at least 5% in 2030 as compared 2019 levels.
- Established a SAF Public-Private Council to promote the introduction of SAF (Sustainable Aviation Fuel) (since 2022)

(million KL)



Japan's policy for decarbonization

GHG emissions reduction target*2

- Reduce GHG emissions by 46% by 2030
- Reduce GHG emissions by 60% by 2030
- Reduce GHG emission by 73% by 2030

*above three targets as compared to 2013 levels

- Carbon Neutrality Declaration in 2050

Policies and regulations towards achievement

- Launch of GX-ETS (Emissions Trading System) in 2026
- Ongoing discussions toward introducing a carbon tax in 2028

