

Fiscal year ending December 31, 2026	52,000	3.2	3,200	2.5	2,800	18.4	-	-	-
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Note: Revisions to the earnings forecasts most recently announced: None

Reference: Adjusted EBITDA is calculated as EBITDA (operating income + amortization and amortization of goodwill) + subsidy income + stock-related compensation.

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	139,273,056 shares
As of December 31, 2025	136,599,260 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2026	20,918 shares
As of December 31, 2025	20,822 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2026	138,598,585 shares
Three months ended March 31, 2025	136,391,232 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors.

Quarterly consolidated balance sheet

(Millions of yen)

	As of December 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	21,163	18,869
Notes and accounts receivable - trade	5,043	5,362
Merchandise and finished goods	2,237	2,498
Work in process	332	338
Raw materials and supplies	1,608	1,519
Other	3,241	3,860
Allowance for doubtful accounts	(188)	(227)
Total current assets	33,437	32,222
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,587	7,536
Machinery, equipment and vehicles	3,923	3,983
Tools, furniture and fixtures	1,057	1,062
Land	1,912	1,912
Leased assets	81	79
Construction in progress	9	10
Other	24	29
Accumulated depreciation	(8,845)	(8,906)
Total property, plant and equipment	5,750	5,707
Intangible assets		
Goodwill	11,107	10,924
Customer related assets	18,310	17,900
Other	1,546	1,553
Total intangible assets	30,964	30,379
Investments and other assets		
Investment securities	1,523	1,767
Guarantee deposits	443	444
Deferred tax assets	106	86
Other	158	105
Allowance for doubtful accounts	(52)	(54)
Total investments and other assets	2,179	2,350
Total non-current assets	38,894	38,436
Total assets	72,332	70,658

	As of December 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,882	2,140
Short-term borrowings	3,938	19,275
Accounts payable - other	3,518	3,172
Contract liabilities	1,367	1,359
Lease liabilities	10	13
Income taxes payable	1,635	417
Provision for bonuses	660	201
Asset retirement obligations	21	-
Other	943	961
Total current liabilities	13,978	27,541
Non-current liabilities		
Bonds payable	1,000	1,000
Convertible-bond-type bonds with share acquisition rights	4,800	2,800
Long-term borrowings	17,916	2,342
Lease liabilities	16	16
Provision for retirement benefits for directors (and other officers)	6	7
Retirement benefit liability	440	426
Asset retirement obligations	164	164
Deferred tax liabilities	5,480	5,559
Other	2	2
Total non-current liabilities	29,827	12,318
Total liabilities	43,805	39,859
Net assets		
Shareholders' equity		
Share capital	16,373	17,373
Capital surplus	16,924	14,070
Retained earnings	(3,066)	482
Treasury shares	(34)	(34)
Total shareholders' equity	30,196	31,891
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14	17
Deferred gains or losses on hedges	(0)	(1)
Foreign currency translation adjustment	710	875
Remeasurements of defined benefit plans	(2)	3
Total accumulated other comprehensive income	722	894
Share acquisition rights	39	52
Non-controlling interests	(2,431)	(2,040)
Total net assets	28,526	30,799
Total liabilities and net assets	72,332	70,658

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended March 31, 2025	Three months ended March 31, 2026
Net sales	11,935	13,197
Cost of sales	3,599	4,204
Gross profit	8,335	8,992
Selling, general and administrative expenses	7,717	8,155
Operating profit	618	837
Non-operating income		
Interest income	21	39
Foreign exchange gains	-	3
Subsidy income	4	79
Commission income	0	10
Share of profit of entities accounted for using equity method	8	-
Other	3	20
Total non-operating income	38	152
Non-operating expenses		
Interest expenses on bonds	3	3
Interest expenses	116	151
Foreign exchange losses	76	-
Share of loss of entities accounted for using equity method	-	11
Commission expenses	2	30
Other	21	10
Total non-operating expenses	220	208
Ordinary profit	436	782
Extraordinary income		
Gain on reversal of share acquisition rights	0	0
Gain on sale of non-current assets	1	-
Total extraordinary income	1	0
Extraordinary losses		
Business restructuring expenses	262	-
Total extraordinary losses	262	-
Profit before income taxes	175	782
Income taxes - current	295	334
Income taxes - deferred	34	93
Total income taxes	329	428
Profit (loss)	(154)	353
Profit attributable to non-controlling interests	352	385
Loss attributable to owners of parent	(507)	(32)

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended March 31, 2025	Three months ended March 31, 2026
Profit (loss)	(154)	353
Other comprehensive income		
Valuation difference on available-for-sale securities	3	2
Deferred gains or losses on hedges	0	(1)
Foreign currency translation adjustment	(418)	165
Remeasurements of defined benefit plans, net of tax	(0)	11
Total other comprehensive income	(415)	178
Comprehensive income	(570)	531
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(924)	140
Comprehensive income attributable to non-controlling interests	354	391

(Notes on segment information, etc.)

Segment Information

I. The three months of the previous fiscal year (January 1, 2025 to March 31, 2025)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Millions of yen)

	Reportable segments			Total	Adjustment amount (Note 1)	Quarterly consolidated statements of income (Note 2)
	Health care Business	Biofuel Business	Others Business			
Sales						
Direct sales (Note 3)	8,277	-	-	8,277	-	8,277
Wholesale (Note 4)	976	-	-	976	-	976
OEM, Ingredients Supply, Overseas (Note 5, 6, 7)	1,646	-	-	1,646	-	1,646
Others (Note 8)	24	252	758	1,035	-	1,035
Revenue from contracts with customers	10,924	252	758	11,935	-	11,935
Revenues from external customers	10,924	252	758	11,935	-	11,935
Transactions with other segments	-	-	4	4	(4)	-
Total	10,924	252	763	11,940	(4)	11,935
Segment profit (loss)	1,203	(50)	(97)	1,055	(437)	618

Note: 1. Adjusted for segment profit or loss (loss) of (437) million yen is mainly general and administrative expenses and other company-wide expenses that are not allocated to each reporting segment.

2. Segment profit or loss (loss) is adjusted for operating income in the quarterly consolidated statements of income.

3. Direct sales are a form of selling the Group's functional foods and cosmetics directly to consumers via the Internet, telephone, etc.

4. Wholesale is a form of wholesaling the Group's functional foods and cosmetics directly to various retail stores or through food trading companies, beauty trading companies, etc.

5. OEM is a business model in which product specifications are determined jointly with business partners, products are manufactured by the Group based on orders from business partners, and products are sold to business partners.

6. Ingredients is a business model that provides euglena powder to food manufacturers.

7. Overseas, we are developing our business mainly in East Asia to create the Euglena market outside of Japan.

8. Others are mainly income from the sale of off-the-shelf products, contract analysis services, marketing support services, genetic analysis services, biofuels and fertilizers, etc.

II. The three months of the current fiscal year (January 1, 2026 to March 31, 2026)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Millions of yen)

	Reportable segments			Total	Adjustment amount (Note 1)	Quarterly consolidated statements of income (Note 2)
	Health care Business	Biofuel Business	Others Business			
Sales						
Direct sales (Note 3)	8,708	-	-	8,708	-	8,708
Wholesale (Note 4)	971	-	-	971	-	971
OEM, Ingredients Supply, Overseas (Note 5, 6, 7)	2,501	-	-	2,501	-	2,501
Others (Note 8)	7	256	751	1,015	-	1,015
Revenue from contracts with customers	12,189	256	751	13,197	-	13,197
Revenues from external customers	12,189	256	751	13,197	-	13,197
Transactions with other segments	0	-	4	4	(4)	-
Total	12,189	256	756	13,201	(4)	13,197
Segment profit (loss)	1,499	(132)	(107)	1,259	(422)	837

Note: 1. Adjusted for segment profit or loss (loss) of (422) million yen is mainly general and administrative expenses and other company-wide expenses that are not allocated to each reporting segment.

2. Segment profit or loss (loss) is adjusted for operating income in the quarterly consolidated statements of income.

3. Direct sales are a form of selling the Group's health foods, cosmetics, and other products directly to consumers via the Internet or telephone.

4. Wholesale is a form of wholesaling the Group's health foods and cosmetics directly to various retail stores or through food trading companies, beauty trading companies, etc.

5. OEM is a business model in which product specifications are determined jointly with business partners, and the Group manufactures products such as functional foods and cosmetics based on orders from business partners, and sells them to business partners.

6. Ingredients Supply is a business model that provides euglena powder to food manufacturers.

7. Overseas is a business model that provides euglena and chlorella powders, products, etc. outside of Japan.

8. Others are revenues from the sale of ready-made products in the healthcare business and income from the biofuels business and other businesses.