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August 7, 2026

Consolidated Financial Results for the Six Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: Euglena Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 2931
URL: http://www.euglena.jp/
Representative: Mitsuru Izumo, Representative Director, President
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Telephone: +81-3-3453-4907
Scheduled date to file semi-annual securities report: August 7, 2026
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes (for analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Adjusted EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	26,507	8.0	3,804	8.5	1,871	14.3	1,709	45.8	73	-
June 30, 2025	24,553	3.8	3,507	65.3	1,636	716.3	1,172	625.7	(559)	-

Note: Comprehensive income For the six months ended June 30, 2026: ¥1,189 million [-%]
For the six months ended June 30, 2025: ¥(507) million [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	0.53	0.52
June 30, 2025	(4.10)	-

* From the perspective of shifting to cash flow-oriented management, we disclose Adjusted EBITDA as an indicator of the Company's ability to generate cash flow. For a definition of Adjusted EBITDA and how it is calculated, see 3. Consolidated Financial Forecast for the fiscal year ending December 31, 2026 (January 1, 2026~ December 31, 2026)

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	69,272	31,569	47.8
December 31, 2025	72,332	28,526	42.7

Reference: Equity
As of June 30, 2026: ¥33,115 million
As of December 31, 2025: ¥30,919 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	-	0.00	-	2.00	2.00
Fiscal year ending December 31, 2026	-	0.00			
Fiscal year ending December 31, 2026 (Forecast)				0.00	0.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Adjusted EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	%	Yen

Fiscal year ending December 31, 2026	53,000	5.2	7,000	0.9	3,200	2.5	2,800	18.4	-	-	-

Note: Revisions to the earnings forecasts most recently announced: Yes

Reference: Adjusted EBITDA is calculated as EBITDA (operating profit + depreciation and amortization, including 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 semi-annual 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 June 30, 2026	139,521,762 shares
As of December 31, 2025	136,599,260 shares

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

As of June 30, 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)

Six months ended June 30, 2026	139,001,367 shares
Six months ended June 30, 2025	136,421,223 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* 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.

Semi-annual consolidated balance sheet

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	21,163	17,174
Notes and accounts receivable - trade	5,043	4,807
Merchandise and finished goods	2,237	2,496
Work in process	332	295
Raw materials and supplies	1,608	1,692
Other	3,241	4,634
Allowance for doubtful accounts	(188)	(152)
Total current assets	33,437	30,948
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,587	7,541
Machinery, equipment and vehicles	3,923	3,941
Tools, furniture and fixtures	1,057	1,005
Land	1,912	1,912
Leased assets	81	79
Construction in progress	9	10
Other	24	30
Accumulated depreciation	(8,845)	(8,882)
Total property, plant and equipment	5,750	5,639
Intangible assets		
Goodwill	11,107	10,823
Customer-related intangible assets	18,310	17,490
Other	1,546	1,707
Total intangible assets	30,964	30,022
Investments and other assets		
Investment securities	1,523	2,093
Guarantee deposits	443	441
Deferred tax assets	106	81
Other	158	101
Allowance for doubtful accounts	(52)	(56)
Total investments and other assets	2,179	2,662
Total non-current assets	38,894	38,323
Total assets	72,332	69,272

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,882	1,834
Short-term borrowings	3,938	17,058
Accounts payable - other	3,518	3,308
Contract liabilities	1,367	1,321
Lease liabilities	10	12
Income taxes payable	1,635	1,042
Provision for bonuses	660	331
Asset retirement obligations	21	-
Other	943	796
Total current liabilities	13,978	25,707
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	2,178
Lease liabilities	16	13
Provision for retirement benefits for directors (and other officers)	6	7
Retirement benefit liability	440	442
Asset retirement obligations	164	164
Deferred tax liabilities	5,480	5,387
Other	2	1
Total non-current liabilities	29,827	11,996
Total liabilities	43,805	37,703
Net assets		
Shareholders' equity		
Share capital	16,373	17,423
Capital surplus	16,924	14,121
Retained earnings	(3,066)	587
Treasury shares	(34)	(34)
Total shareholders' equity	30,196	32,097
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14	18
Deferred gains or losses on hedges	(0)	(3)
Foreign currency translation adjustment	710	1,000
Remeasurements of defined benefit plans	(2)	2
Total accumulated other comprehensive income	722	1,017
Share acquisition rights	39	65
Non-controlling interests	(2,431)	(1,611)
Total net assets	28,526	31,569
Total liabilities and net assets	72,332	69,272

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Net sales	24,553	26,507
Cost of sales	7,404	8,170
Gross profit	17,148	18,336
Selling, general and administrative expenses	15,512	16,465
Operating profit	1,636	1,871
Non-operating income		
Interest income	34	69
Foreign exchange gains	-	1
Subsidy income	26	115
Commission income	28	31
Share of profit of entities accounted for using equity method	1	-
Other	55	42
Total non-operating income	146	261
Non-operating expenses		
Interest expenses on bonds	7	6
Interest expenses	231	304
Commission expenses	193	62
Foreign exchange losses	121	-
Share of loss of entities accounted for using equity method	-	21
Other	57	28
Total non-operating expenses	610	423
Ordinary profit	1,172	1,709
Extraordinary income		
Gain on reversal of share acquisition rights	0	0
Gain on sale of non-current assets	2	1
Total extraordinary income	2	1
Extraordinary losses		
Loss on valuation of investment securities	-	0
Business restructuring expenses	265	-
Total extraordinary losses	265	0
Profit before income taxes	909	1,709
Income taxes - current	860	896
Income taxes - deferred	(84)	(74)
Total income taxes	775	821
Profit	133	888
Profit attributable to non-controlling interests	692	814
Profit (loss) attributable to owners of parent	(559)	73

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Profit	133	888
Other comprehensive income		
Valuation difference on available-for-sale securities	3	4
Deferred gains or losses on hedges	(0)	(3)
Foreign currency translation adjustment	(642)	289
Remeasurements of defined benefit plans, net of tax	(1)	10
Total other comprehensive income	(641)	301
Comprehensive income	(507)	1,189
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,207)	369
Comprehensive income attributable to non-controlling interests	699	819

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	909	1,709
Depreciation	1,185	1,207
Amortization of goodwill	477	421
Business restructuring expenses	265	-
Share-based payment expenses	184	192
Loss (gain) on valuation of investment securities	-	0
Loss (gain) on sale of property, plant and equipment	(2)	(1)
Increase (decrease) in allowance for doubtful accounts	0	(32)
Increase (decrease) in provision for bonuses	(161)	(326)
Increase (decrease) in provision for retirement benefits and retirement benefits for directors (and other officers)	21	18
Interest and dividend income	(34)	(69)
Subsidy income	(26)	(115)
Gain on reversal of share acquisition rights	(0)	(0)
Interest expenses	231	304
Interest expenses on bonds	7	6
Foreign exchange losses (gains)	(19)	15
Share of loss (profit) of entities accounted for using equity method	(1)	21
Decrease (increase) in trade receivables	(146)	232
Decrease (increase) in inventories	(639)	(284)
Increase (decrease) in trade payables	264	(48)
Increase (decrease) in accounts payable - other	(341)	(190)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(139)	(86)
Other, net	112	(345)
Subtotal	2,147	2,629
Interest and dividends received	34	69
Interest paid	(239)	(320)
Subsidies received	26	113
Payments for business restructuring expenses	(247)	-
Income taxes refund	246	39
Income taxes paid	(745)	(1,446)
Net cash provided by (used in) operating activities	1,221	1,083

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from investing activities		
Decrease (increase) in time deposits	(2)	1,643
Purchase of property, plant and equipment	(107)	(118)
Proceeds from sale of property, plant and equipment	4	1
Purchase of intangible assets	(134)	(288)
Payments for acquisition of businesses	-	(250)
Purchase of investment securities	-	(548)
Proceeds from sale and redemption of investment securities	-	3
Decrease (increase) in short-term loans receivable	(255)	(1,097)
Proceeds from collection of long-term loans receivable	973	-
Proceeds from refund of guarantee deposits	65	5
Payments of guarantee deposits	(27)	(4)
Payments for asset retirement obligations	(2)	(21)
Net cash provided by (used in) investing activities	514	(674)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(69)	(224)
Repayments of long-term borrowings	(3,164)	(2,407)
Purchase of treasury shares	(0)	(0)
Dividends paid	-	(270)
Repayments of lease liabilities	(1)	(6)
Net cash provided by (used in) financing activities	(3,235)	(2,908)
Effect of exchange rate change on cash and cash equivalents	(26)	4
Net increase (decrease) in cash and cash equivalents	(1,526)	(2,494)
Cash and cash equivalents at beginning of period	13,731	15,903
Cash and cash equivalents at end of period	12,204	13,408

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (January 1, 2025 to June 30, 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)	Interim Consolidated Statements of Income (Note 2)
	Health care Business	Biofuel Business	Other Business			
Sales						
Direct sales (Note 3)	16,703	-	-	16,703	-	16,703
Wholesale (Note 4)	1,939	-	-	1,939	-	1,939
OEM, Ingredients Supply, Overseas (Note 5, 6, 7)	3,993	-	-	3,993	-	3,993
Others (Note 8)	33	457	1,425	1,916	-	1,916
Revenue from contracts with customers	22,670	457	1,425	24,553	-	24,553
Revenues from external customers	22,670	457	1,425	24,553	-	24,553
Transactions with other segments	0	-	7	8	(8)	-
Total	22,671	457	1,432	24,562	(8)	24,553
Segment profit (loss)	2,760	(114)	(218)	2,427	(790)	1,636

Note: 1. Adjusted for segment profit or loss (loss) of (790) 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 interim 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, 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, 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, genetic analysis services, biofuels and fertilizers, etc.

II. Interim Consolidated Accounting Period (January 1, 2026 to June 30, 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)	Interim Consolidated Statements of Income (Note 2)
	Health care Business	Biofuel Business	Other Business			
Sales						
Direct sales (Note 3)	17,652	-	-	17,652	-	17,652
Wholesale (Note 4)	2,035	-	-	2,035	-	2,035
OEM, Ingredients Supply, Overseas (Note 5, 6, 7)	4,604	-	-	4,604	-	4,604
Others (Note 8)	25	764	1,423	2,213	-	2,213
Revenue from contracts with customers	24,319	764	1,423	26,507	-	26,507
Revenues from external customers	24,319	764	1,423	26,507	-	26,507
Transactions with other segments	0	-	4	4	(4)	-
Total	24,319	764	1,428	26,512	(4)	26,507
Segment profit (loss)	3,039	(160)	(202)	2,676	(805)	1,871

Note: 1. Adjusted for segment profit or loss (loss) of (805) 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 interim 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, and related products 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.