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Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2025 (FY2025)

May 2025

Taiko Pharmaceutical Co., Ltd.
Securities code: 4574

1. Consolidated Financial Results for 3M FY2025

2. Overview of Performance by Segment for 3M FY2025

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1. Consolidated Financial Results for 3M FY2025

Consolidated Financial Results

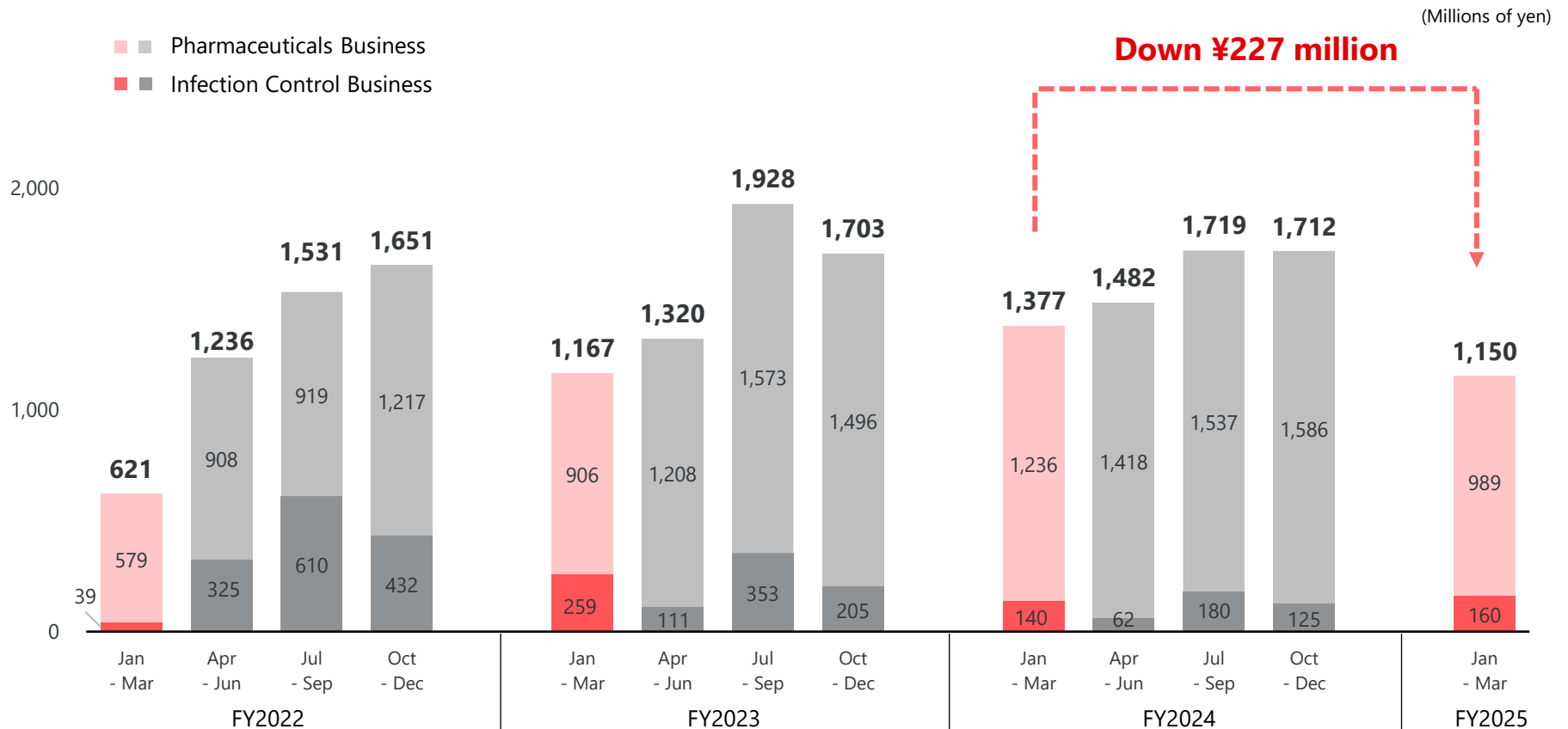
- Net sales and profit decreased YoY, but **nearly in line with the planned target**
- Net sales decreased in the Pharmaceuticals Business due to a decrease in supply volume despite increased net sales in the Infection Control Business

(Millions of yen)

	FY2024		FY2025		YoY change (Amount)	YoY change (%)
	3M results	Comparison with sales	3M results	Comparison with sales		
Net sales	1,377	—	1,150	—	(227)	(16.5)%
Gross profit	799	58.0%	679	59.0%	(120)	(15.0)%
SG&A expenses	584	42.4%	634	55.2%	+50	+8.7%
Operating profit	214	15.6%	44	3.8%	(170)	(79.5)%
Ordinary profit	229	16.6%	11	1.0%	(218)	(95.1)%
Profit attributable to owners of parent	472	34.3%	292	25.4%	(179)	(38.1)%

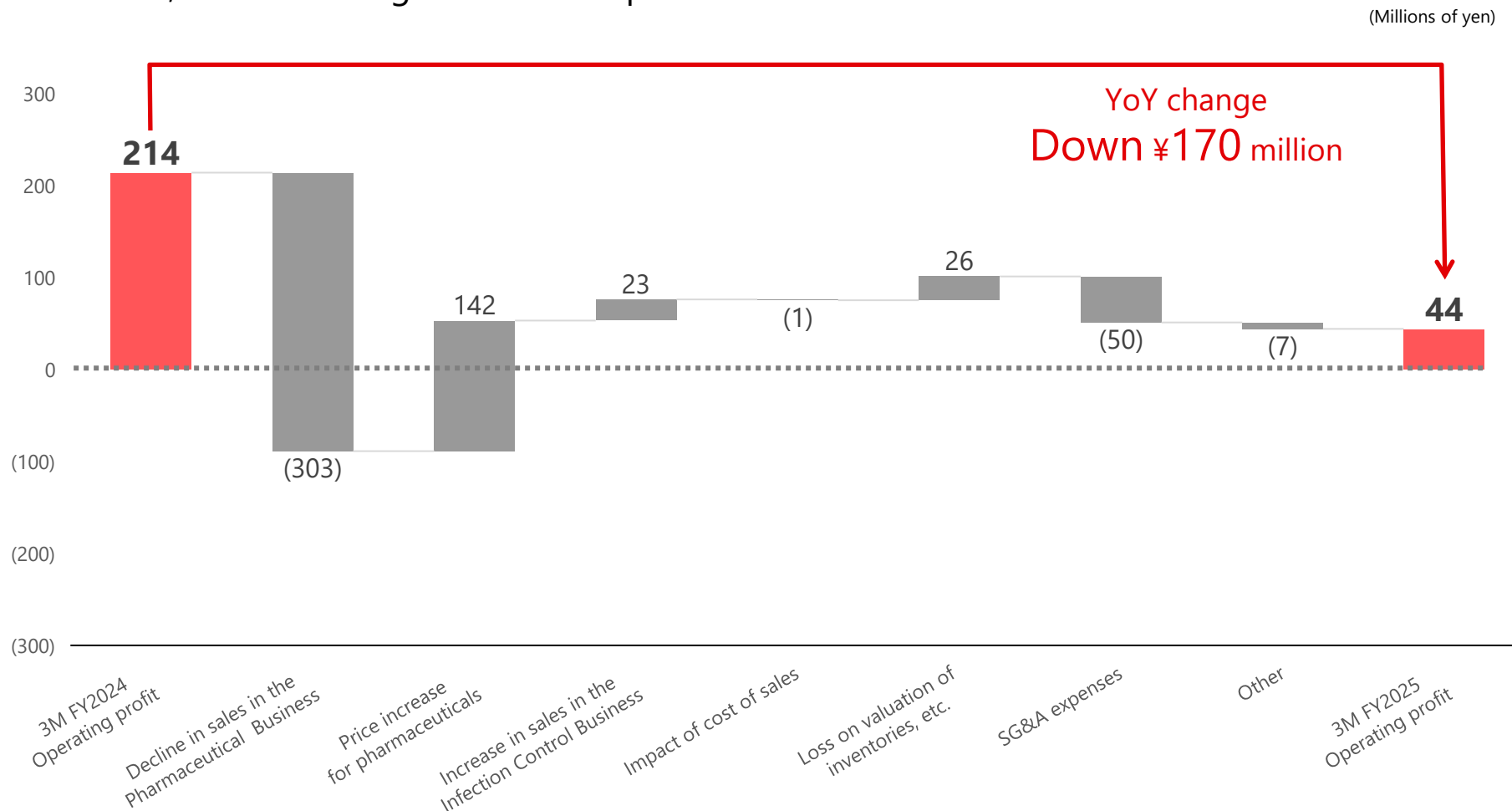
Consolidated Net Sales by Quarter

- In the Pharmaceuticals Business, sales of Seirogan Toi-A increased, whereas sales of Seirogan decreased due to a decrease in supply volume
- In the Infection Control Business, net sales increased owing to our efforts to strengthen sales and marketing during the flu season



Factors Affecting Changes in Operating Profit

- Despite an effect of the price increase for the Pharmaceuticals Business, the decline in sales due to a decreased sales volume had a greater impact
- SG&A expenses increased due to boosting spending in web advertising in the Infection Control Business, but we managed to make a profit



- SG&A expenses increased due to boosting spending in web advertising in the Infection Control Business during the flu season
- Personnel expenses and other expenses decreased as a whole

(Millions of yen)

		FY2024		FY2025		YoY change (Amount)	YoY change (%)
		3M results	% of total	3M results	% of total		
Total SG&A expenses		584	—	634	—	+50	+8.7%
	Selling expenses	77	13.3%	147	23.2%	+69	+89.3%
	Advertising expenses	17	3.1%	96	15.1%	+78	+437.2%
	Promotion expenses	21	3.7%	25	4.0%	+3	+18.0%
	Transportation costs	38	6.5%	25	4.1%	(12)	(32.5)%
	Personnel expenses	284	48.6%	271	42.7%	(12)	(4.6)%
	Other expenses	222	38.0%	216	34.1%	(6)	(2.7)%
	Research and development expenses	43	7.4%	40	6.3%	(2)	(6.9)%
	Commission expenses	77	13.3%	80	12.7%	+3	+4.1%

Ordinary Profit / Profit

- In non-operating expenses, foreign exchange losses were recorded mainly due to yen appreciation
- In extraordinary income, gain on sale of investment securities resulting from sale of shares held was recorded

(Millions of yen)

		FY2024	FY2025	YoY change	Major factors for change
		3M results	3M results		
Operating profit		214	44	(170)	
	Non-operating income	25	5	(20)	Mainly due to the absence of foreign exchange gains of FY2024
	Non-operating expenses	10	38	+27	Mainly due to foreign exchange losses in FY2025
Ordinary profit		229	11	(218)	
	Extraordinary income	200	357	+157	FY2024: Compensation income of ¥200 million FY2025: Gain on sale of investment securities of ¥347 million
	Extraordinary losses	—	—	—	
Profit before income taxes		429	368	(60)	
Income taxes – current/deferred		(42)	76	+118	
Profit attributable to owners of parent		472	292	(179)	

Consolidated Financial Position

- Equity-to asset ratio improved from 61.7% to 65.6% due to the repayment of long-term borrowings and the recording of profit

(Millions of yen)

	FY2024	FY2025	YoY change	Major factors for change
	FY end	Q1 end		
Current assets	8,761	8,407	(354)	
Cash and deposits	4,532	4,673	+141	
Trade receivables	2,428	1,716	(711)	
Inventories	1,676	1,872	+195	Pharmaceutical inventory of ¥1,679 million Infection control inventory of ¥180 million
Non-current assets	4,152	3,753	(399)	Down due to the sale of investment securities
Total assets	12,914	12,161	(753)	
Current liabilities	2,855	2,460	(394)	
Non-current liabilities	2,094	1,720	(374)	Repayment of long-term borrowings and other factors
Net assets	7,964	7,979	+15	
Total liabilities and net assets	12,914	12,161	(753)	
Equity-to asset ratio	61.7%	65.6%		



2. Overview of Performance by Segment for 3M FY2025

Overview of Performance by Segment

- Pharmaceuticals Business: A decline in the shipment of Seirogan caused a decrease in sales both in Japan and overseas, coupled with lower segment profit
- Infection Control Business: Growing demand boosted sales of Cleverin, resulting in improved segment loss

(Millions of yen)

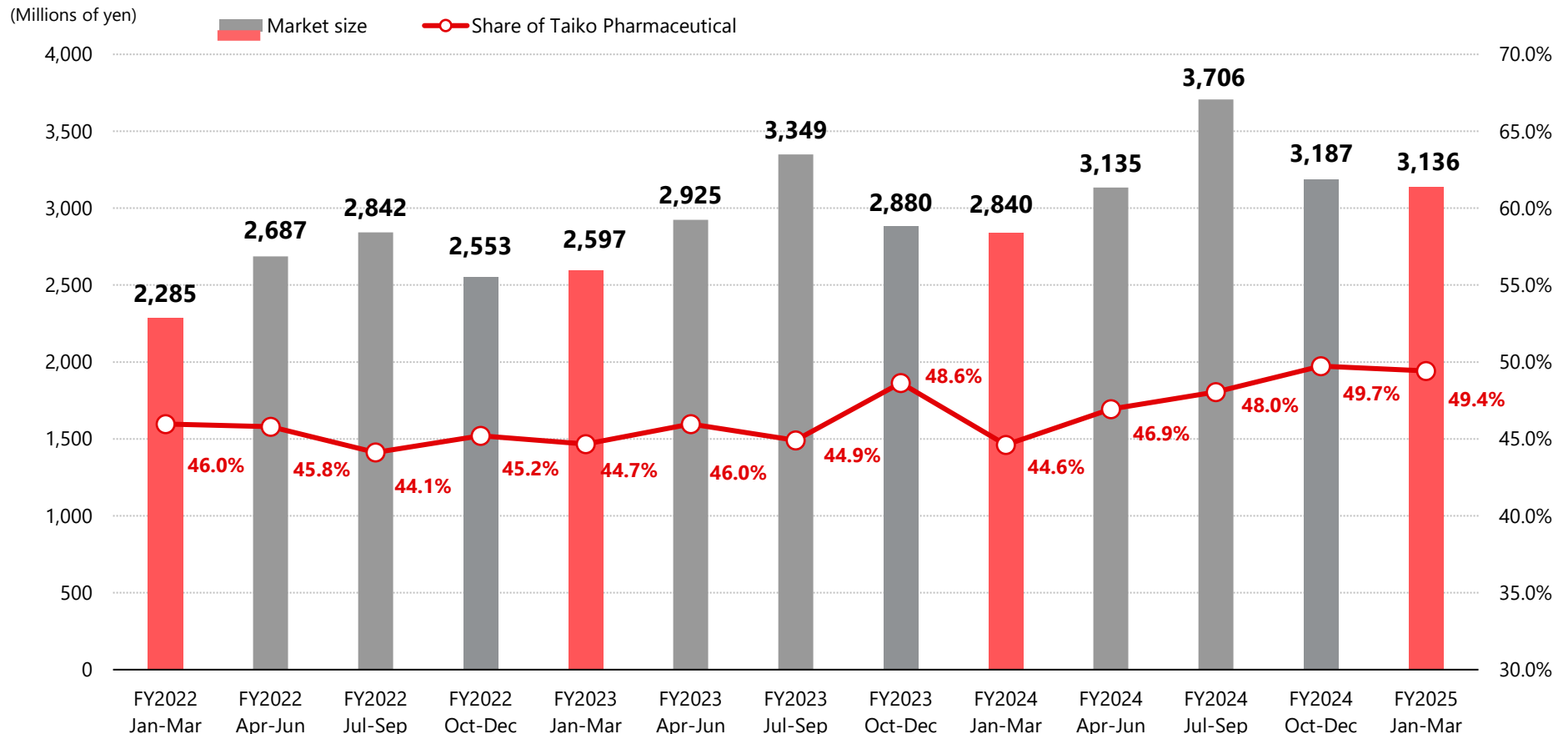
		FY2024	FY2025	YoY change	YoY change (%)
		3M results	3M results	(Amount)	
Pharmaceuticals Business	Net sales	1,236	989	(246)	(20.0)%
	Segment profit	489	314	(175)	(35.8)%
	Profit margin	39.6%	31.8%	—	—
Infection Control Business	Net sales	140	160	+19	+13.7%
	Segment profit (loss)	(64)	(62)	+2	—
	Profit margin	(46.0)%	(39.1)%	—	—
Other	Net sales	1	1	+0	+8.9%
	Segment profit (loss)	(2)	(5)	(2)	—
	Profit margin	(279.6)%	(479.2)%	—	—

Pharmaceuticals Business in Japan

Market Size of Antidiarrheal Drugs in Japan and Our Share

- The domestic antidiarrheal drug market was firm, reaching 110.4% of the same period (January-March) last year
- Our market share remained high at 49.4%

Antidiarrheal drug market in Japan



* Source: SRI+ based on retail selling price, by INTAGE Inc.

Performance of the Pharmaceuticals Business in Japan

- Sales of Seirogan declined due to the impact of curtailed supply, despite demand remaining strong
- Sales of Seirogan Toi-A increased substantially, boosted by the resolution of supply problems and the launch of Seirogan Toi-A 24Tablets Portable Type

Sales by product category

(Millions of yen)

	FY2024	FY2025	YoY change (Amount)	YoY change (%)
	3M results	3M results		
Sales of the Pharmaceuticals Business in Japan	981	903	(78)	(8.0)%
Seirogan	794	486	(308)	(38.8)%
Seirogan Toi-A	226	447	+221	+97.4%
Seirogan Quick C	60	67	+6	+10.3%
Other *	27	24	(3)	(12.8)%
Returns, discounts, sponsorship, etc.	(128)	(122)	+5	—

* Rappa Intestinal Regulator BF and Pishat Antidiarrheal OD Tablet

Seirogan



Seirogan Toi-A



Seirogan Quick C



Rappa Intestinal Regulator BF



Pishat Antidiarrheal OD Tablet



Performance of the Pharmaceuticals Business Overseas

- Sales decreased YoY due to production scheduling adjustments with the domestic market
- Sales progressed largely in line with the plan, despite being affected by shipment adjustments

Sales by region

(Millions of yen)

		FY2024	FY2025	YoY change	
		3M results	3M results	(Amount)	YoY change (%)
Sales of the Pharmaceuticals Business overseas		254	86	(168)	(66.2)%
China		1	110	+109	—
Hong Kong		284	(0)	(285)	—
Taiwan		—	—	—	—
Other regions *		—	—	—	—
Returns, discounts, sponsorship, etc.		(30)	(23)	+6	—

* U.S., Canada, Thailand, Malaysia, Mongolia, and other regions

SEIROGAN®

Seirogan



Seirogan Toi-A



Performance of the Infection Control Business

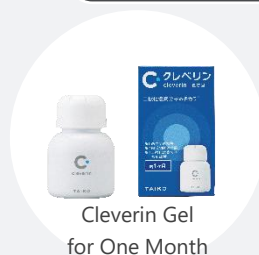
- Sales for general use in Japan increased due mainly to a web advertisement placed during the flu season
- Despite signs of the bottoming out of the declining trend in sales for general and commercial uses and overseas, we aim to improve profits, while continuing to strengthen our cost controlling efforts

Sales by customer type

(Millions of yen)

		FY2024	FY2025	YoY change (Amount)	YoY change (%)
		3M results	3M results		
Sales of the Infection Control Business		140	160	+19	+14.1%
Japan (for general use)		123	143	+19	+15.7%
Japan (for commercial use)		51	51	+0	+0%
Overseas		9	13	+4	+46.0%
Returns, discounts, sponsorship, etc.		(44)	(48)	(4)	(9.1)%

Cleverin





3. Topics



Newly released
Seirogan Toi-A 24Tablets Portable Type,
a tiny, portable safeguard against tummy problems

- ◆ Sugar coating blocks the peculiar smell
- ◆ Palm-sized package fits in a bag or cosmetic pouch
- ◆ Made mainly of naturally-derived wood creosote
- ◆ Safe to take before driving as it does not contain ingredients that make you feel drowsy

Sales promotion is currently underway mainly via social media
(Instagram, YouTube), targeting women in
their 20s to 30s and their families

- ◆ About 60% of people regularly suffer from tummy trouble
- ◆ Women in teens to 20s show a high tendency of suffering from tummy trouble when they go out (about 40% to 60%)





TAIKO

Notes on forward-looking information

The forward-looking information in this document is based on various assumptions and does not constitute a guarantee or assurance that planned figures or measures will be realized.