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TAIKO

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

November 2025

Taiko Pharmaceutical Co., Ltd.
Securities code: 4574

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1. Consolidated Financial Results for 9M FY2025

Consolidated Financial Results

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- Net sales and profit decreased YoY, but earnings **exceeded the planned target**
- An upward revision to the consolidated earnings forecast was announced today, November 11, 2025

(Millions of yen)

	FY2024		FY2025		YoY change (Amount)	YoY change (%)
	9M results	& of sales	9M results	% of sales		
Net sales	4,579	-	4,229	-	(350)	(7.6)%
Gross profit	2,715	59.3%	2,361	55.8%	(354)	(13.0)%
SG&A expenses	1,988	43.4%	2,036	48.2%	＋47	＋2.4%
Operating profit	726	15.9%	324	7.7%	(402)	(55.3)%
Ordinary profit	705	15.4%	325	7.7%	(380)	(53.9)%
Profit (loss) attributable to owners of parent	714	15.6%	669	15.8%	(45)	(6.3)%

Consolidated Net Sales by Quarter

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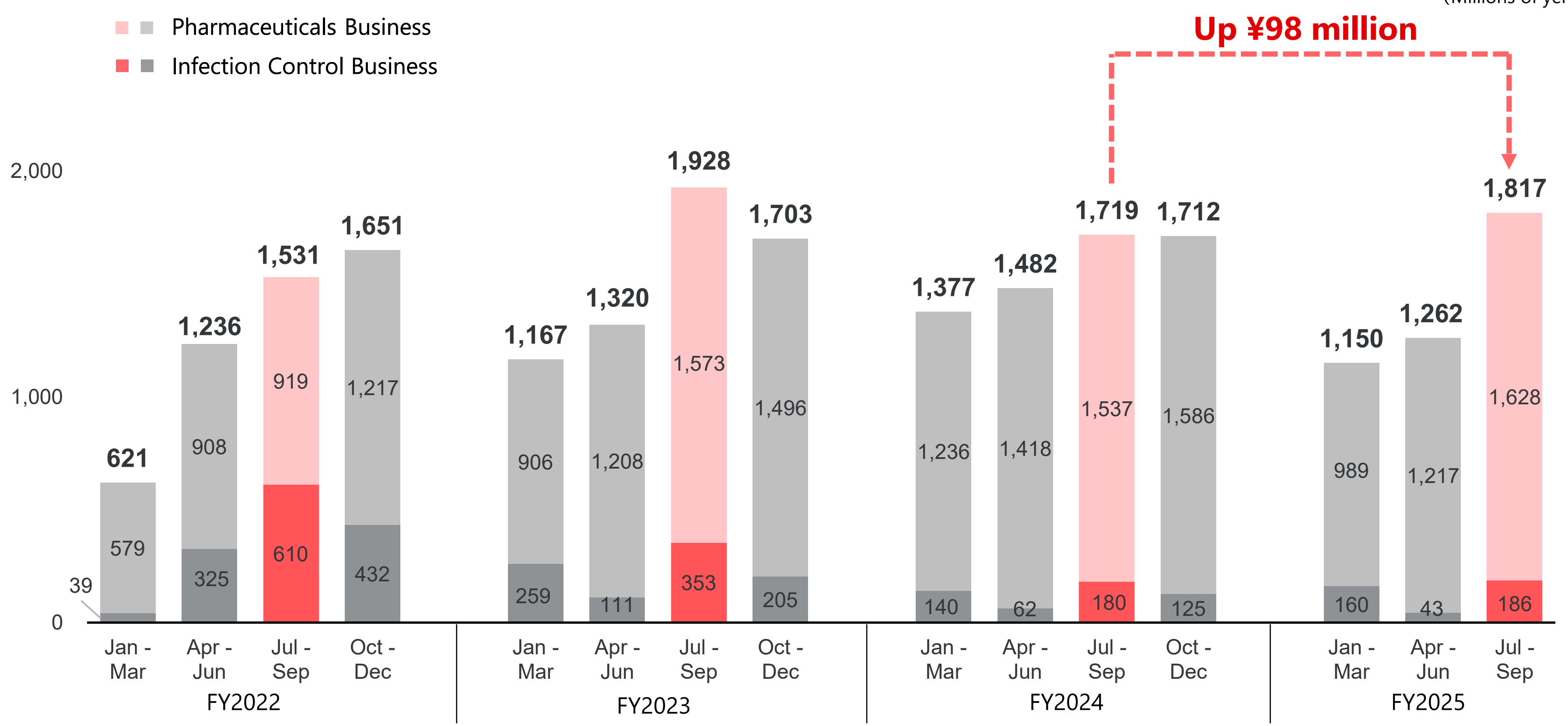
- Net sales increased in the Pharmaceuticals Business YoY, thanks to a significant increase in the sales volume of Seirogan Toi-A
- Net sales remained stable in the Infection Control Business, supported by steady progress in shipments ahead of the fall and winter demand season

(Millions of yen)



Factors Affecting Changes in Operating Profit

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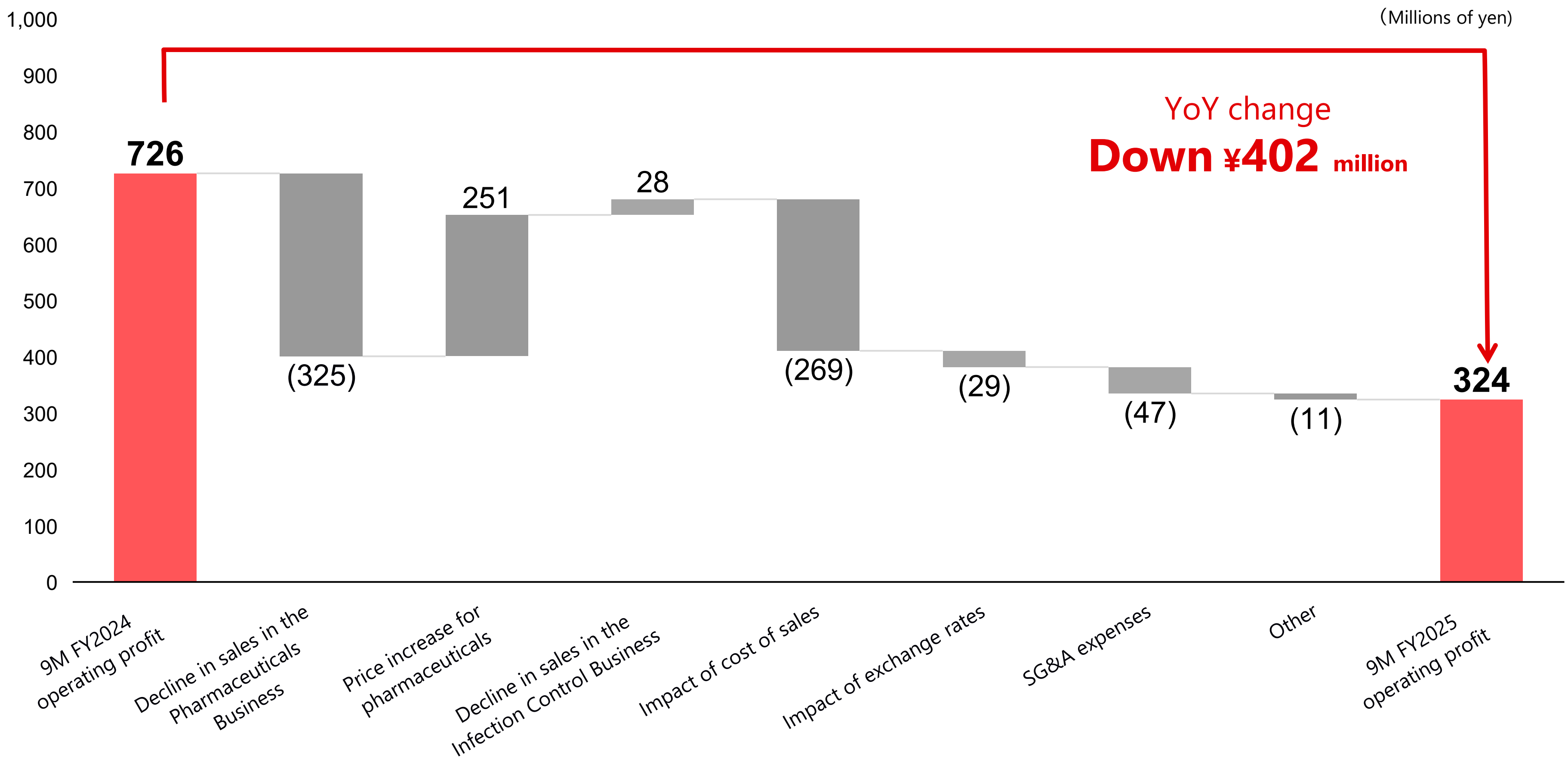
- Despite the effect of unit price revisions associated with price increase for the Pharmaceuticals Business, the decline in sales due to a decreased shipment volume of Seirogan had an impact
- Cost of sales increased due to higher raw material and supply costs, as well as increased expenses to strengthen the supply system for Seirogan, but it **remained nearly within the planned scope**



SG&A Expenses

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- Advertising expenses increased due to the strengthening of online advertising in the Infection Control Business during the period from January to March and the promotional activities accompanying the release of SEIROGAN TOI A 24Tablets Portable type

(Millions of yen)

		FY2024		FY2025		YoY change (Amount)	YoY change (%)
		9M results	& of total	9M results	% of total		
Total SG&A expenses		1,988	-	2,036	-	+47	+2.4%
	Selling expenses	477	24.0%	481	23.6%	+3	+0.7%
	Advertising expenses	287	14.5%	321	15.8%	+34	+11.9%
	Promotion expenses	86	4.3%	82	4.0%	(4)	(4.9)%
	Transportation costs	103	5.2%	77	3.8%	(26)	(25.8)%
	Personnel expenses	881	44.3%	900	44.2%	+18	+2.1%
	Other expenses	629	31.6%	655	32.2%	+25	+4.1%
	Research and development expenses	115	5.8%	145	7.1%	+30	+26.2%
	Commission expenses	224	11.3%	232	11.4%	+7	+3.6%

Ordinary profit (Loss) / Profit (Loss)

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- In non-operating expenses, foreign exchange losses decreased YoY due to yen depreciation
- In extraordinary income, gain on sale of investment securities and gain on foreign currency translation adjustment were recorded

(Millions of yen)

	FY2024 9M results	FY2025 9M results	YoY change	Major factors for change
Operating profit (loss)	**726**	**324**	**(402)**	
Non-operating income	**36**	**29**	**(6)**	Mainly due to the decline in interest income
Non-operating expenses	**57**	**29**	**(28)**	Mainly due to the decline in foreign exchange losses in FY2025
Ordinary profit (loss)	**705**	**325**	**(380)**	
Extraordinary income	**200**	**502**	**+302**	Gain on sale of investment securities of ¥347 million Gain on foreign currency translation adjustment of ¥140 million FY24: Compensation income of ¥200 million
Extraordinary losses	**232**	**6**	**(225)**	FY24: Restructuring of the production operations in the Pharmaceuticals Business Impairment loss of ¥228 million
Profit (loss) before income taxes	**673**	**821**	**+147**	
Income taxes - current/deferred	**(41)**	**151**	**+192**	
Profit (loss) attributable to owners of parent	**714**	**669**	**(45)**	

Consolidated Financial Position

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■ Equity-to asset ratio improved from 61.7% to 69.3% due to the repayment of long-term borrowings and the recording of profit

(Millions of yen)

	FY2024 Year-end	FY2025 Q3 end	YoY change	Major factors for change
Current assets	8,761	8,190	(571)	
Cash and deposits	4,532	3,788	(743)	
Trade receivables	2,428	2,020	(408)	
Inventories	1,676	1,968	+291	Pharmaceutical inventory of ¥1,783 million Infection control inventory of ¥171 million
Non-current assets	4,152	3,694	(457)	Down due to the sale of investment securities
Total assets	12,914	11,884	(1,029)	
Current liabilities	2,855	2,321	(533)	
Non-current liabilities	2,094	1,326	(767)	Repayment of long-term borrowings and other factors
Net assets	7,964	8,236	+272	
Total liabilities and net assets	12,914	11,884	(1,029)	
Equity-to asset ratio	61.7%	69.3%		

2. Overview of Performance by Segment for 9M FY2025

Overview of Performance by Segment

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- Pharmaceuticals Business: A delay in shipment to overseas caused a decrease in sales YoY
- Infection Control Business: Sales remained steady following the shipment of products compliant with JSA standards
  Segment profit steadily improved through cost management

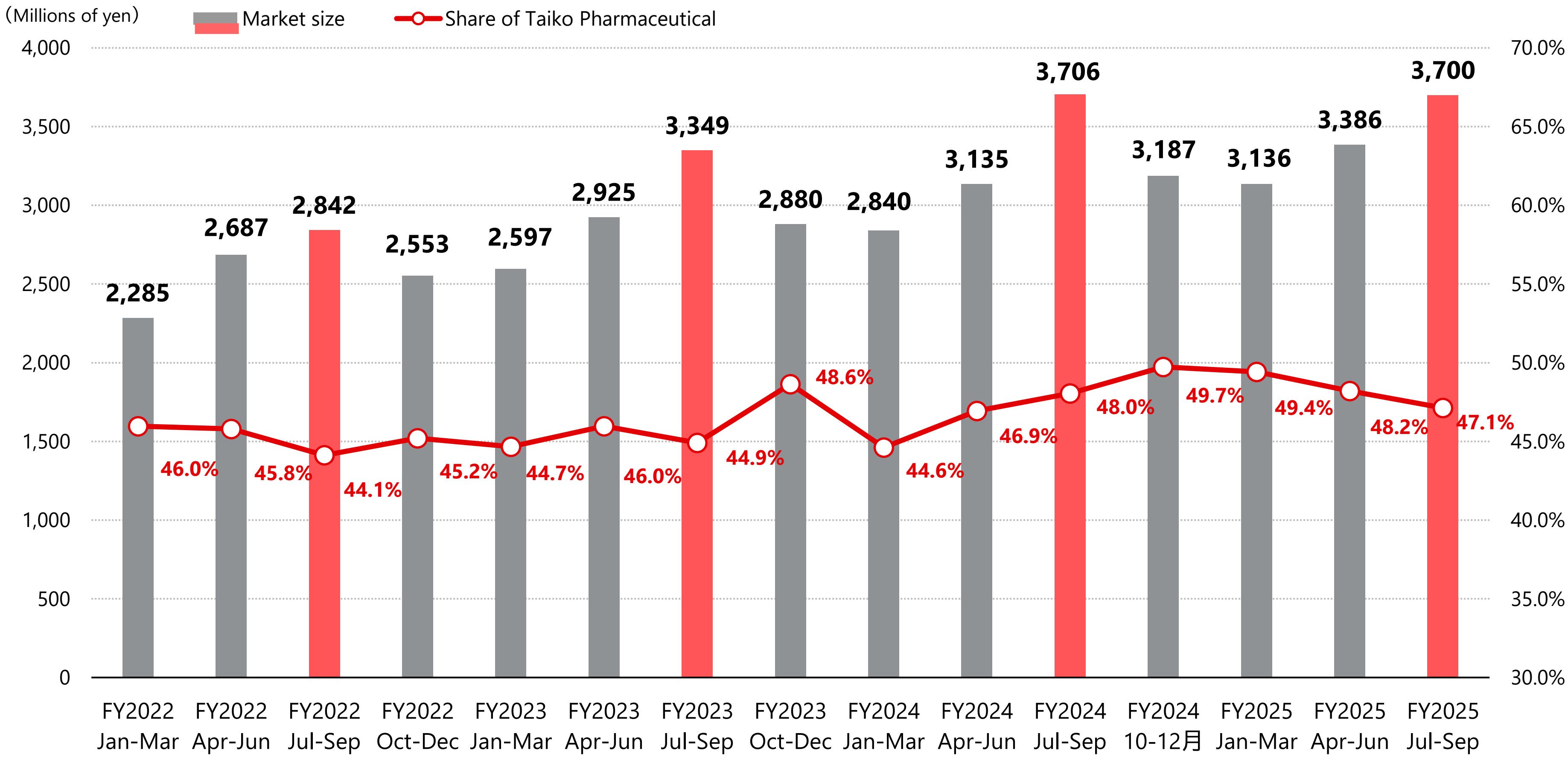
(Millions of yen)

		FY2024 9M results	FY2025 9M results	YoY change (Amount)	YoY change (%)
Pharmaceuticals Business	Net sales	4,192	3,835	(357)	(8.5)%
	Segment profit	1,569	1,094	(474)	(30.2)%
	Profit margin	37.4%	28.5%	-	-
Infection Control Business	Net sales	383	390	+6	+1.7%
	Segment profit (loss)	(232)	(143)	+89	-
	Profit margin	(60.6)%	(36.7)%	-	-
Other	Net sales	4	4	+0	+8.8%
	Segment profit (loss)	(7)	(12)	(5)	-
	Profit margin	(169.5)%	(273.8)%	-	-

Pharmaceuticals Business in Japan
Market Size of Antidiarrheal Drugs in Japan and Our Share

- The domestic antidiarrheal drug market size remained flat in the July–September period following the impact of price increases. However, the market was firm, reaching at 105.6% YoY (January-September). Our market share remained high at 47.1%

Antidiarrheal drug market in Japan



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

Performance of the Pharmaceuticals Business in Japan

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- Sales of Seirogan declined due to the impact of curtailed supply, despite demand remaining strong
- Sales of Seirogan Toi-A increased YoY, 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 9M results	FY2025 9M results	YoY change (Amount)	YoY change (%)
Sales of the Pharmaceuticals Business in Japan	2,640	2,718	+77	+2.9%
Seirogan	1,598	1,360	(237)	(14.9)%
Seirogan Toi-A	1,128	1,516	+387	+34.4%
Seirogan Quick C	236	209	(27)	(11.7)%
Other *1	78	86	+8	+10.3%
Returns, discounts, sponsorship, etc.	(400)	(453)	53)	-

*1 *Rappa* Intestinal Regulator BF and *Pishat* Antidiarrheal OD Tablet

Seirogan

Seirogan Toi-A

SEIROGAN TOI A 24Tablets Portable type

Seirogan Quick C

Rappa Intestinal Regulator BF

Pishat Antidiarrheal OD Tablet

Performance of the Pharmaceuticals Business Overseas

- Sales declined YoY due to production schedule adjustments for the domestic market
- Sales progressed largely in line with the plan, despite the impact of shipment adjustments, and full-year sales are expected to be in line with the previous fiscal year

Sales by region

(Millions of yen)

	FY2024 9M results	FY2025 9M results	YoY change (Amount)	YoY change (%)
Sales of the Pharmaceuticals Business overseas	1,551	1,116	(434)	(28.0)%
China	541	435	(105)	(19.5)%
Hong Kong	748	422	(326)	(43.6)%
Taiwan	193	166	(26)	(13.9)%
Other regions *1	67	92	+24	+36.3%

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

SEIROGAN®

Seirogan

Seirogan Toi-A

Performance of the Infection Control Business

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- Net sales remained steady following the shipment of products compliant with JSA standards
- Shipments to major drugstores have been progressing smoothly in preparation for the fall and winter demand season. We are planning initiatives for stores and marketing going forward.

Sales by customer type

(Millions of yen)

	FY2024 9M results	FY2025 9M results	YoY change (Amount)	YoY change (%)
Sales of the Infection Control Business	**383**	**390**	**+6**	**+1.7%**
Japan (for general use)	**337**	**323**	**(14)**	**(4.2)%**
Japan (for commercial use)	**135**	**128**	**(7)**	**(5.2)%**
Overseas	**23**	**27**	**+4**	**+17.4%**
Returns, discounts, sponsorship, etc.	**(113)**	**(89)**	**+24**	**-**

Cleverin

cleverin


Cleverin Gel for Two Months


Cleverin Gel for One Month


Cleverin Spray 250 ml


Cleverin Mini Spray

3. Revision of the Full-Year Earnings Forecast

Full-year Earnings Forecast

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- Based on the results up to the third quarter and the future outlook, we have revised the full-year forecast upward
- Net sales are expected to be generally in line with the plan, while lower production costs and SG&A expenses compared to the initial forecast and the expected improvement in the impact of foreign exchange will lead to higher profits at all levels

(Millions of yen)

	FY2025 previous forecast	FY2025 Revised forecast	Change	Change (%)	(Reference) FY2024 actual results
Net sales	6,300	6,300	-	-	6,292
Operating profit	215	300	+85	+39.5%	629
Ordinary profit	200	300	+100	+50.0%	688
Profit	450	580	+130	+28.9%	898

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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.