

# Supplementary Material of Financial Results for the Nine Months Ended March 31, 2025

May 12, 2025



# Overview of Q3 FYE6/2025

## Market Environment

- The volume share of generics rose from 80.2% in FY2023 to 90.1% in October 2024, following the introduction of a [selective care system](#) that requires patients to pay extra when choosing long-listed drugs (off-patent branded drugs that have generic alternatives).
- An interim [NHI price revision](#) was implemented, but the overall impact on the Group is expected to be limited. Although some products in our portfolio were subject to price reductions, prices for pharmaceuticals designated for stable supply (Category A) and certain other items remained unchanged, and some of the lowest-priced products saw price increases.
- The impact of U.S. policies, including [reciprocal tariffs](#), on the Group's business performance was minimal due to the Group's primarily domestic operations.

## Business Performance

- Sales and profit increased both in the API segment and the manufacture and sales of pharmaceuticals. Operating margin improved by 3.6 percentage points year on year.

## Shareholder Return

- In light of our business performance, we have revised our dividend forecast for FYE6/2025 to 16 yen per share, [up](#) 1 yen from the forecast announced in Q2.

# Highlights of Financial Results

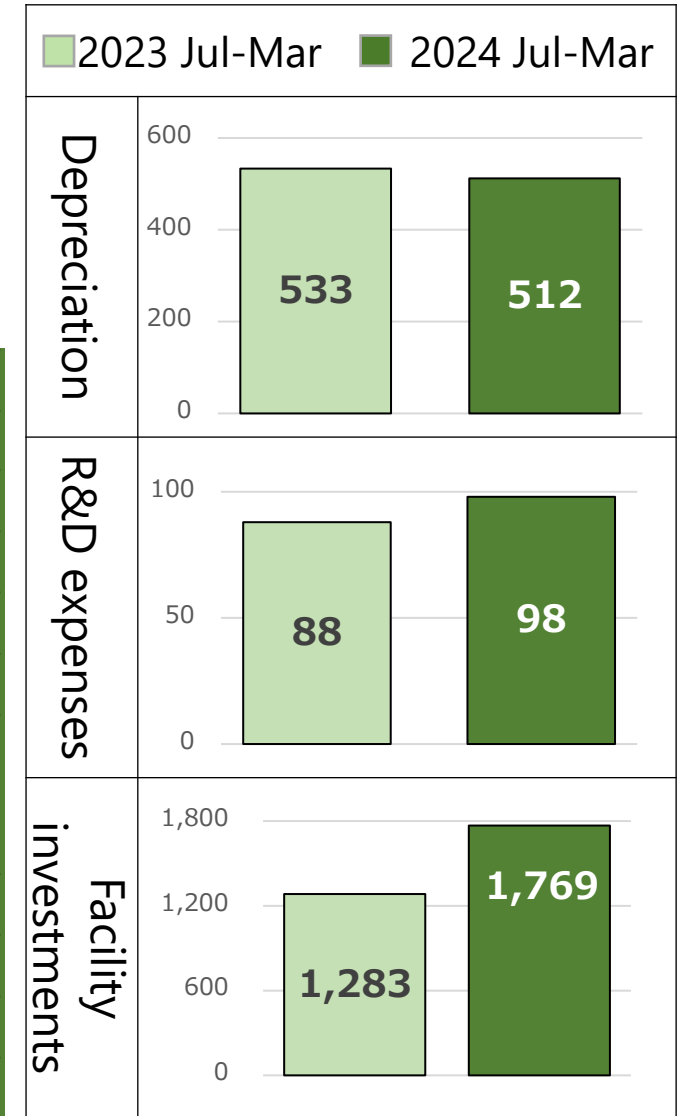
## YoY results comparison: Sales and profit increased YoY

Both segments achieved higher sales and profit, with profit in particular exceeding the plan.

Depreciation and R&D expenses remained almost unchanged. The construction of Zao Factory 2 has been proceeding as planned, resulting in a rise in facility investments.

(million ¥)

	2023 Jul-Mar		2024 Jul-Mar		YoY	
	Actual	%	Actual	%		Change (%)
Net sales	16,772	100.0	17,620	100.0	848	5.1
Gross profit	5,146	30.7	6,002	34.1	856	16.6
Operating profit	3,568	21.3	4,381	24.9	813	22.8
Ordinary profit	3,572	21.3	4,419	25.1	847	23.7
Profit attributable to owners of parent	2,262	13.5	2,959	16.8	697	30.8
Dividend (yen/share)	13	—	16	—	3	23.1
Depreciation	533	3.2	512	2.9	-21	-3.9
R&D expenses	88	0.5	98	0.6	10	11.4
Facility investments	1,283	7.6	1,769	10.0	486	37.9

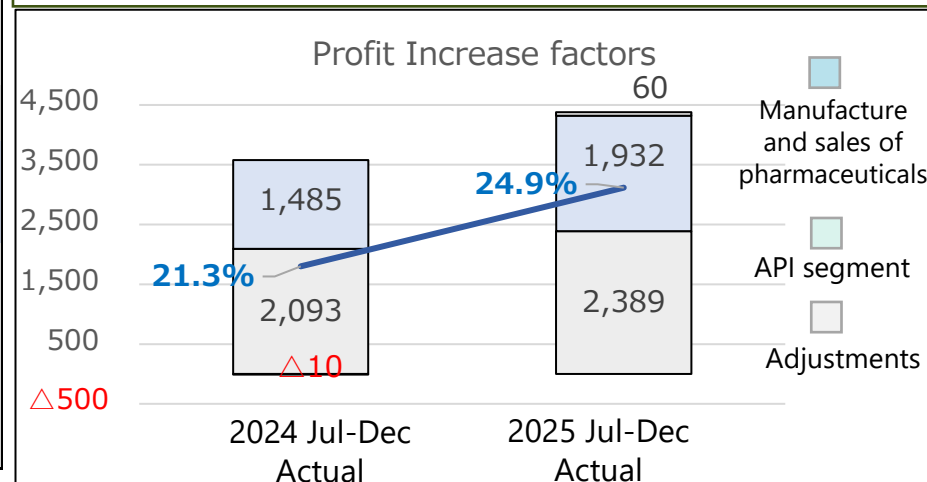
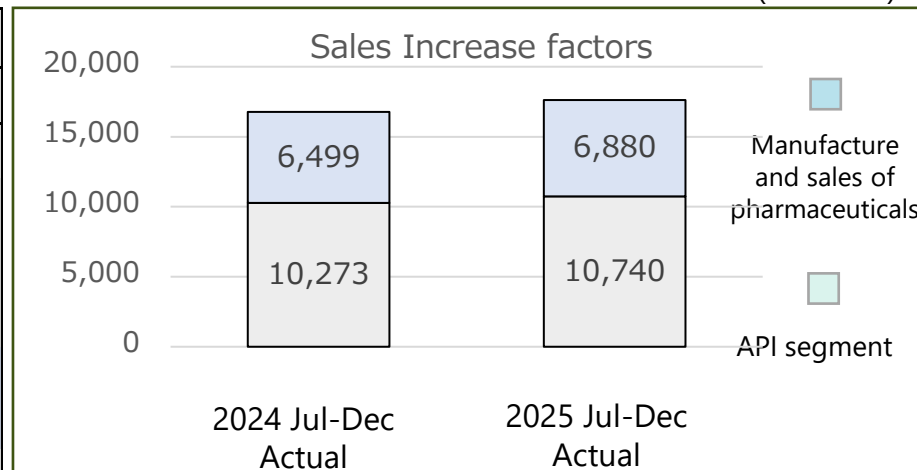


# Highlights of Financial Results by Segment

**Sales and profit increased both in the API segment and the manufacture and sales of pharmaceuticals**  
**Operating margin improved by 3.6 percentage points year on year.**

(million ¥)

	2023 Jul-Mar		2024 Jul-Mar		YoY	
	Actual	%	Actual	%	Change (%)	
Net sales	16,772	100.0	17,620	100.0	848	5.1
API segment	11,528	68.7	11,734	66.6	206	1.8
API segment (external sale)	10,273	61.3	10,740	61.0	467	4.5
Internal sale	1,255	7.5	994	5.6	-261	-
Manufacture and sales of pharmaceuticals	6,499	38.7	6,880	39.0	381	5.9
Adjustments	-1,255	-7.5	-994	-5.6	261	-
<b>Operating profit</b>	3,568	21.3	4,381	24.9	813	22.8
API segment	2,093	12.5	2,389	13.6	296	14.1
Manufacture and sales of pharmaceuticals	1,485	8.9	1,932	11.0	447	30.2
Adjustments	-10	-0.1	60	0.3	70	-
(OP margin)	21.3%	-	24.9%	-	3.6%	-
<b>Ordinary profit</b>	3,572	21.3	4,419	25.1	847	23.7
<b>Profit</b>	2,262	13.5	2,959	16.8	697	30.8



## API segment:

Sales and profit increased thanks to expanded sales in recently launched products and the growth in transaction volume mainly due to the resolution of inventory adjustments for some products, although there was a decline in performance in some products primarily owing to the inventory adjustments by key customers, continued entry of competitors, and the impact of the timing of purchases by customers.

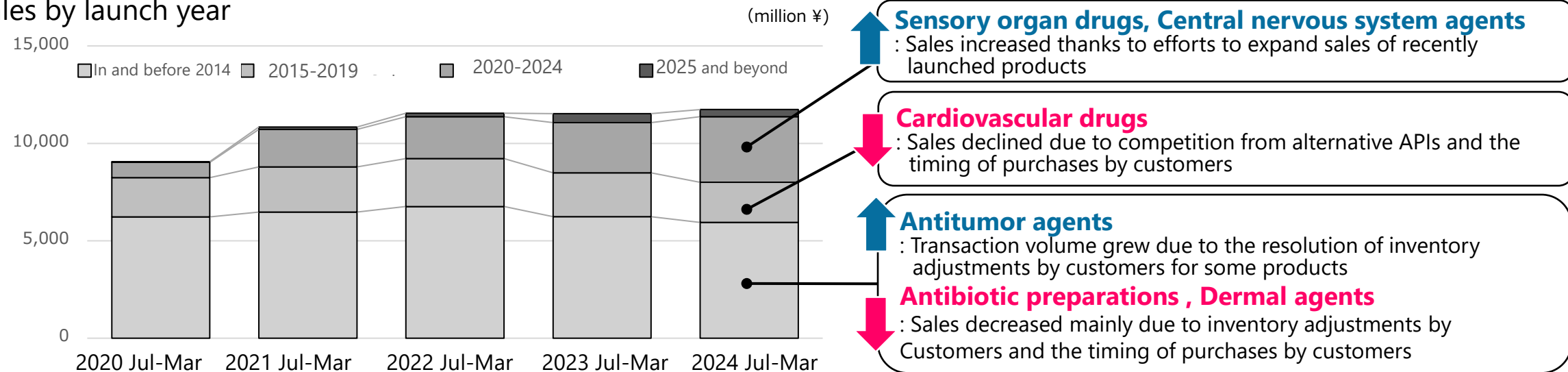
## Manufacture and sales of pharmaceuticals:

Net sales increased as sales of pre-filled syringe formulations have been solid driven by increased production, while sales of tablets, the mainstay products, declined due to the entry of competitors. Profit also rose supported mainly by productivity improvements through higher yield and capacity utilization and by changes in the sales mix.

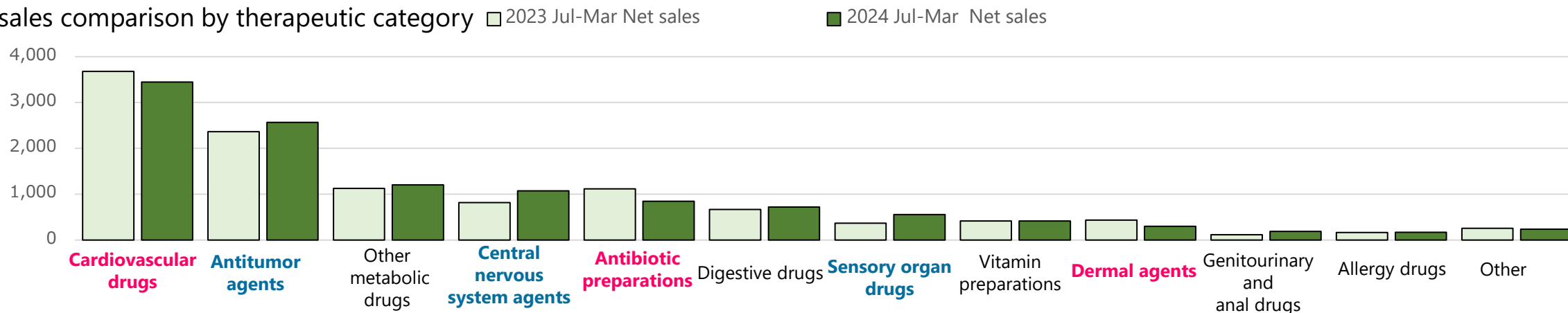
# API Segment Net Sales Analysis

Sales increased thanks to expanded sales in recently launched products and the growth in transaction volume mainly due to the resolution of inventory adjustments for some products

Sales by launch year

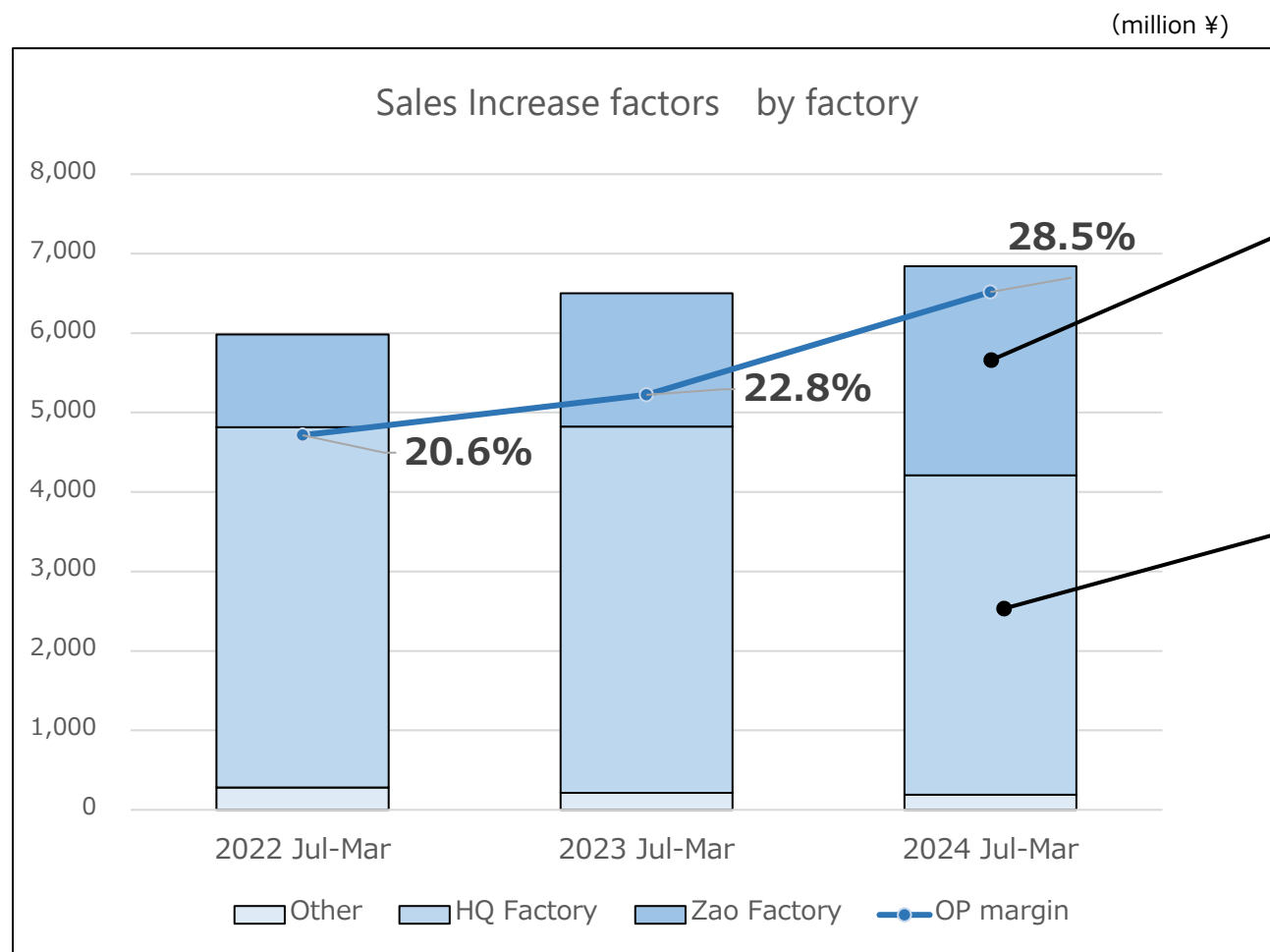


YoY sales comparison by therapeutic category



# Manufacture and sales of pharmaceuticals Net Sales Analysis

Revenue in the segment of manufacture and sales of pharmaceuticals increased thanks to solid demand for the mainstay products of the Zao Factory



## Zao Factory :

Sales of pre-filled syringe formulations increased, thanks to solid demand since we started expanding production in January 2024.

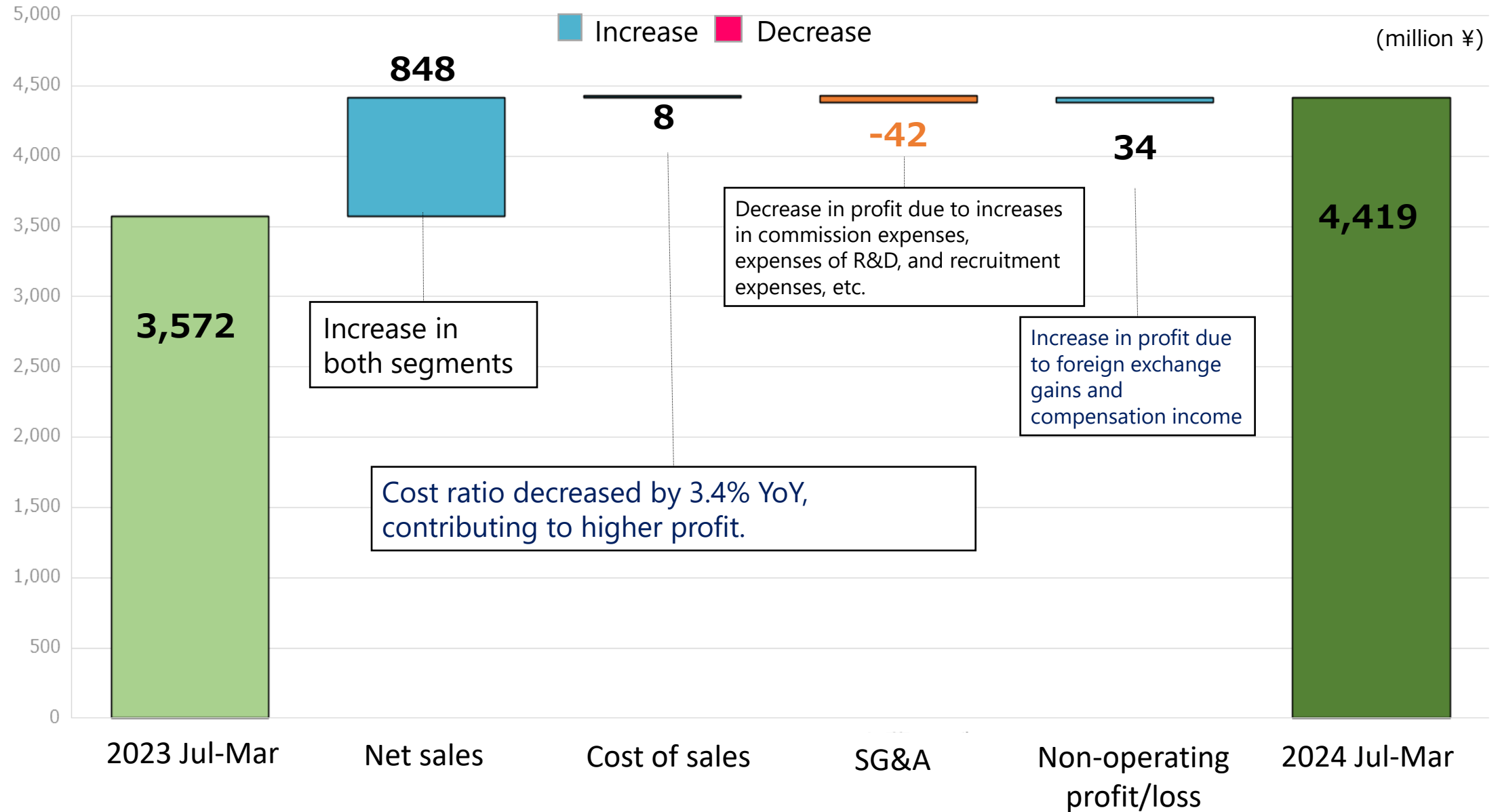
## HQ Factory :

Despite an increase because of the larger number of contract manufacturing products, sales declined mainly due to increased entry of competitors for mainstay tablets and the suspension of sales of existing products.

## Operating margin :

Operating margin rose, supported by productivity improvements, such as higher yields, and changes in the sales mix.

# Ordinary Profit Increase Factors





# Condensed Consolidated Balance Sheet

(million ¥)

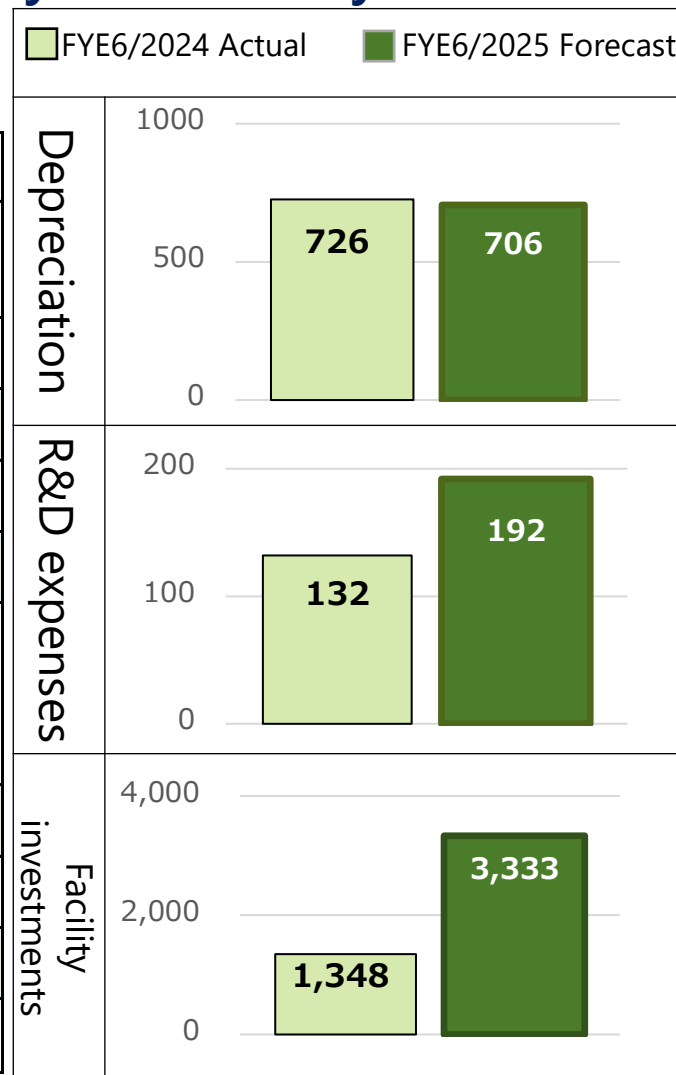
		As of Jun 30,2024		As of Mar 31,2024				As of Jun 30,2024		As of Mar 31,2024	
			%		%				%		%
Current assets		24,775	77.4	25,522	75.2	Current liabilities		4,976	15.5	4,780	14.1
	Cash and deposits	13,954	43.6	13,027	38.4		Trade payable	2,205	6.9	2,137	6.3
	Trade receivable	8,404	26.3	9,389	27.7		Short-term borrowings	1,233	3.9	1,209	3.6
	Inventories	2,266	7.1	2,889	8.5		Other	1,537	4.8	1,434	4.2
	Other	149	0.5	216	0.6	Non-current liabilities		1,975	6.2	1,717	5.1
Non-current assets		7,228	22.6	8,423	24.8		Long-term borrowings	1,591	5.0	1,344	4.0
	Property, plant and equipment	6,835	21.4	8,071	23.8		Other	384	1.2	373	1.1
	Intangible assets	11	0.0	8	0.0	Total liabilities		6,952	21.7	6,497	19.1
	Investments and other assets	381	1.2	343	1.0	Total net assets		25,051	78.3	27,449	80.9
Total assets		32,004	100.0	33,946	100.0	Total liabilities and net assets		32,004	100.0	33,946	100.0



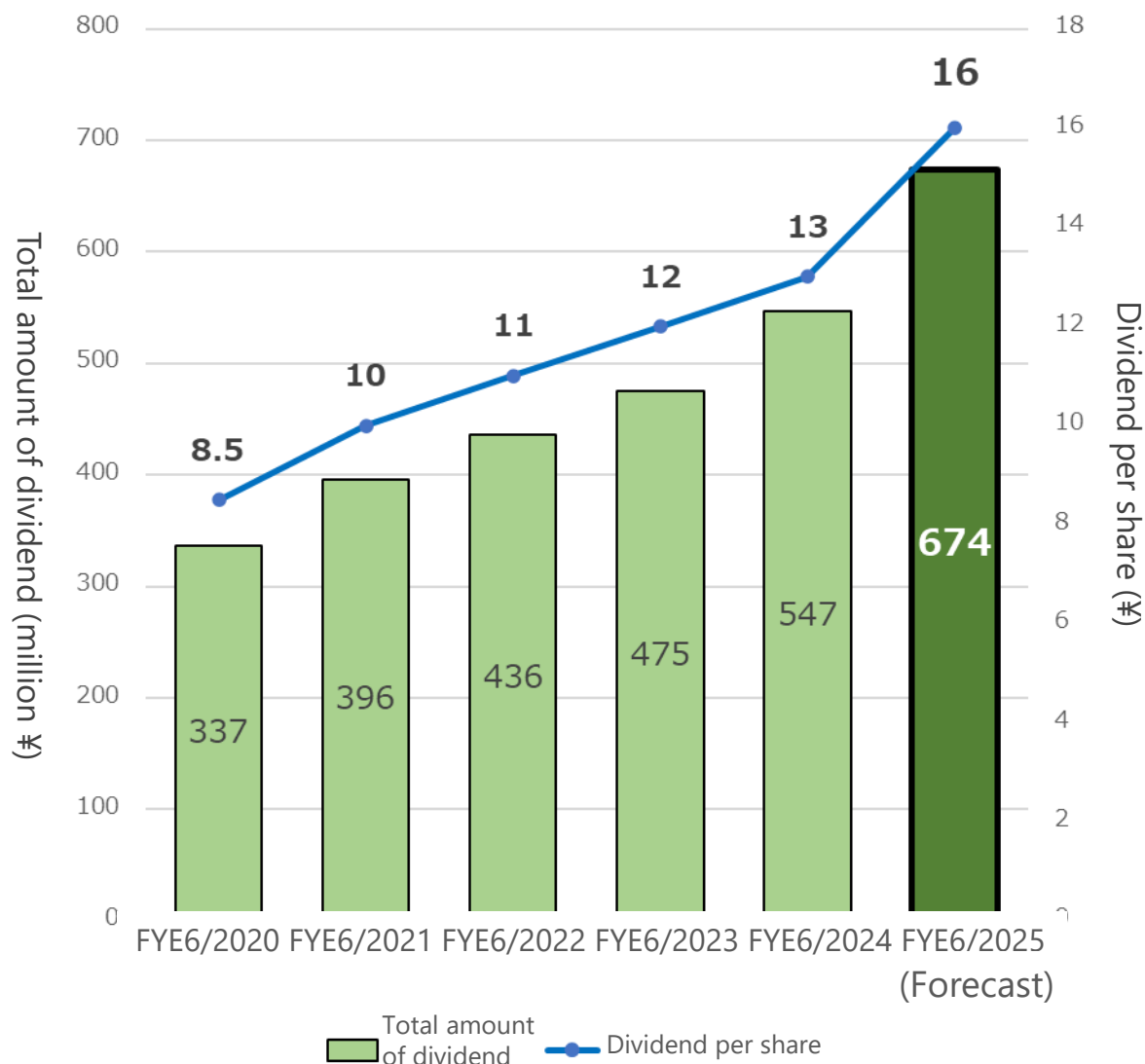
# Full-Year Financial Results Forecast

Year-on-year, net sales are forecasted to grow by 5.5%, with operating profit expected to rise by 5.4%.  
In the manufacture and sales of pharmaceuticals, construction of Zao Factory 2 is underway.

	FYE6/2024		FYE6/2025		YoY	
	Actual	%	Forecast	%	Change	(%)
Net sales	22,134	100.0	23,350	100.0	1,216	5.5
Gross profit	6,639	30.0	7,270	31.1	631	9.5
Operating profit	4,382	19.8	4,620	19.8	238	5.4
Ordinary profit	4,368	19.7	4,600	19.7	232	5.3
Profit attributable to owners of parent	2,946	13.3	3,080	13.2	134	4.5
Dividend (yen/share)	13	–	14	–	1	–
Depreciation	726	3.3	706	3.0	-20	-2.8
R&D expenses	132	0.6	192	0.8	60	45.5
Facility investments	1,348	6.1	3,333	14.3	1,985	147.3



# Dividend Policy



\*Calculated taking into account the effect of stock splits implemented to date

## Dividend policy “annual dividend growth in principle”

In light of our business performance, we have revised our dividend forecast for FYE6/2025 to 16 yen per share, up 1 yen from the forecast announced in Q2.

### ➤ Dividend policy:

- Considering shareholder return as a key management issue, maintain a basic policy of **“annual dividend increase in principle”**
- Enhance internal reserves necessary to respond to future corporate growth and business environment changes
- Allocate management resources to business fields that are expected to grow in the future, with the aim of achieving **sustainable corporate growth** and **increasing corporate and shareholder values over the medium to long term**

➤ **Record date: June 30**

# Return to Shareholders: Shareholder Benefits

## Providing Shareholder Benefits in addition to year-end dividends

Record date for dividend payment	Number of shares held	Details of Shareholder Benefits
<b><u>End of June</u></b>	Holding 200 shares or more	QUO Card worth ¥1,000
	Continuously holding of 200 shares or more for one year or more	QUO Card worth ¥2,000

\*Continuously holding for one year or more refers to shareholders listed or recorded at least three consecutive times (twice at the end of June and once at the end of December) with the same shareholder number in the company's shareholder registry at the end of June and December.



# 【Appendix】

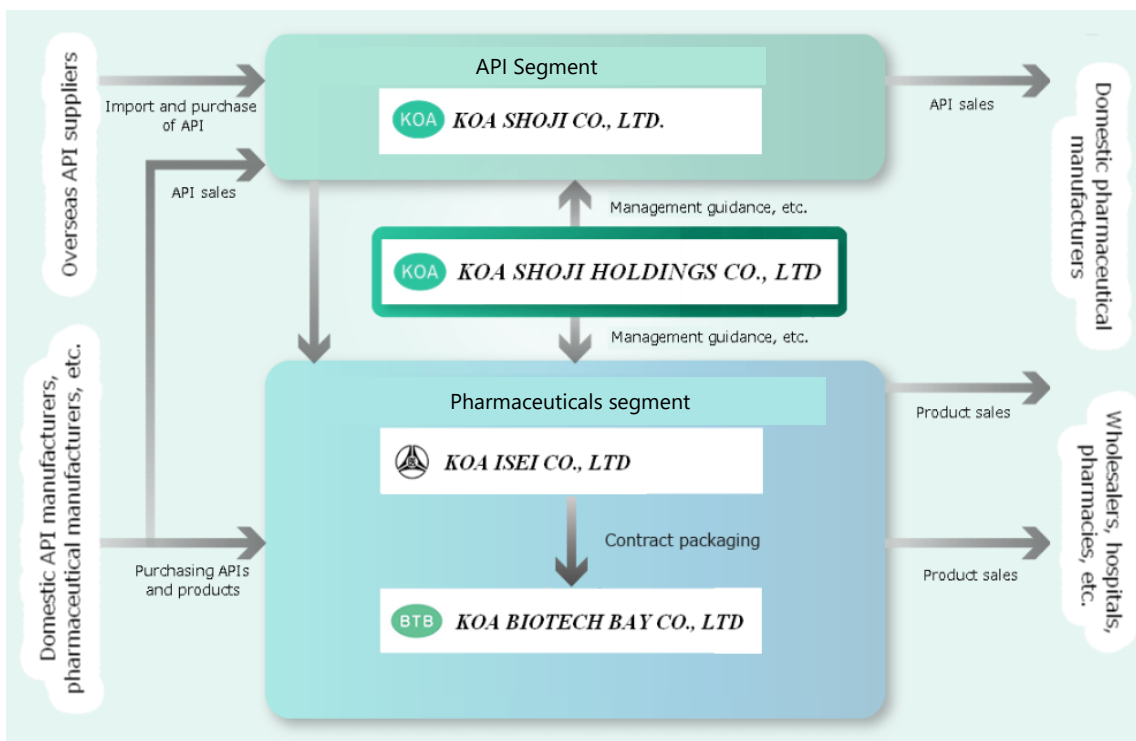
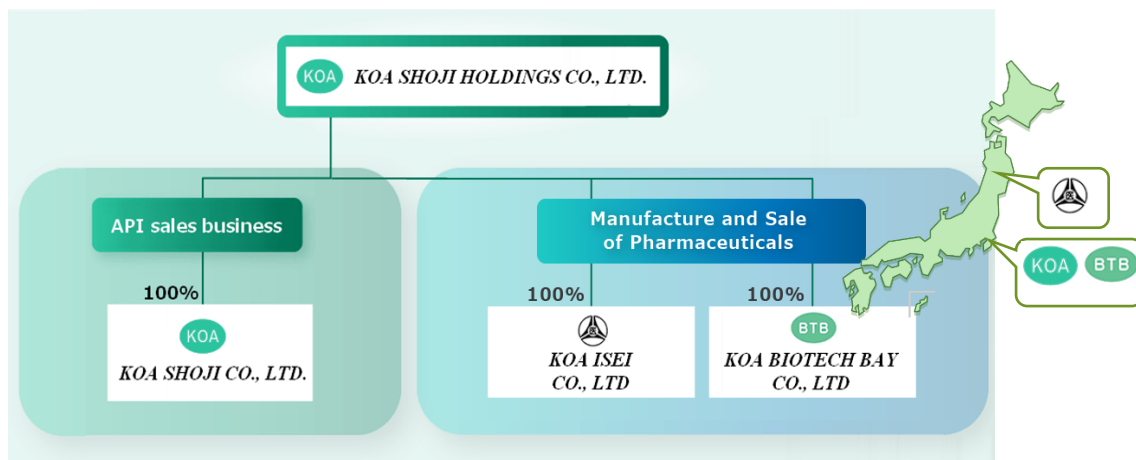
Three horizontal bars of different colors (teal, light teal, and grey) are stacked and offset to the right, creating a stepped effect.

- Corporate Profile
- Vision, Corporate Policy, Corporate Slogan, etc.



*KOA SHOJI HOLDINGS*

# Company Profile



Company name	KOA SHOJI HOLDINGS Co., Ltd.
Establishment	January 2015
Representative	President and Representative Director Toshiyuki Shuto
Listing exchange	Prime Market, Tokyo Stock Exchange
Number of employees *1	289 [Ratio of female employees: 47.1%]
Main business	Holding company [Group companies: Sales of APIs, manufacture and sales of pharmaceuticals]
Head office	13-15, Hiyoshi 7-chome, Kohoku-ku, Yokohama-shi
High-ranking shareholders *2	Haji Co. 42.33%
	Shuto Scholarship Foundation 10.92%
	Toshiyuki Shuto 5.03%
	The Master Trust Bank of Japan, Ltd. (Trust Account) 4.81%
Governance *2	Directors: 11 [7 Internal and 4 Outside] Audit and Supervisory Committee Members: 5 [8 Full-time and 4 Outside]

\*1 As of June 30, 2024

\*2 As of December 31, 2024

## Sales split for FY6/2024

62.1%



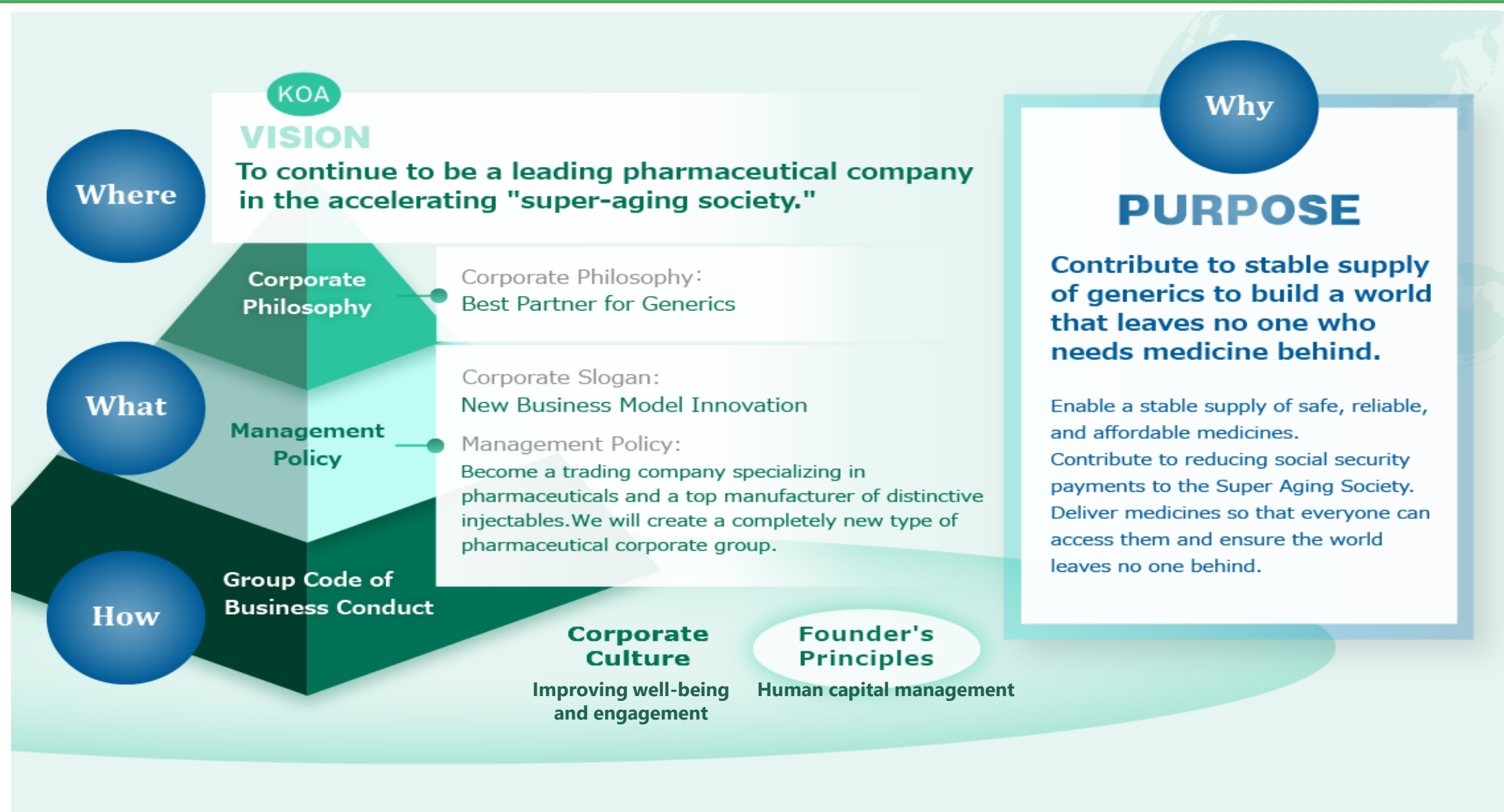
API

37.9%



Manufacture and Sales of Pharmaceuticals

# Vision, Corporate Policy, Corporate Slogan, etc.




This document has been prepared as part of reference materials to provide investors with an understanding of the current status of KOA SHOJI Co., Ltd (the “Company”).

The contents contained herein are prepared based on economic, social, and other conditions generally recognized as of the date of this presentation and on certain assumptions that the Company has judged reasonable, but may be subject to change without prior notice due to changes in the business environment or other reasons.

Please use your judgment when making investments.





# 医薬品を 上流から 支える。

Supporting Pharmaceuticals  
from Upstream.

KOA SHOJI HOLDINGS Co., Ltd. (Securities code: 9273)