Supplementary Material of Financial Results for the Year Ended June 30, 2026

August 7, 2026

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KOA

KOA SHOJI HOLDINGS

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I-1. Summary

Full-year Financial Results for FYE6/2026	◆ In the API segment, sales and profit increased YoY, thanks to increased transaction volumes for certain products, driven by expanded sales of recently launched products and the selective care system. ◆ In the manufacture and sales of pharmaceuticals, sales increased YoY while profit remained flat. This was due to a decline in sales of tablets, the mainstay products of HQ Factory, despite solid performance of the mainstay products of Zao Factory. EBITDA:¥26.3bn
Financial Results Forecast for FYE6/2027	◆ In the API segment, we expect YoY increases in both sales and profit, supported by expanded sales of recently launched products and an expected recovery in transaction volumes for products whose sales decreased in the previous fiscal year due to customers' purchase timing. ◆ In the manufacture and sales of pharmaceuticals, sales are expected to increase YoY, while profit is expected to decrease. This is due to an expected decline in sales of our mainstay tablet products, chiefly owing to the entry of competitors into the market and the impact of the NHI drug price revision, as well as expected cost increases, including depreciation, higher personnel expenses resulting from wage increases and higher R&D expenses. To address this, we will increase production of our mainstay pre-filled syringe formulations by bringing forward the start of operations at Zao Factory 2 to March. EBITDA:¥25.7bn
Market Environment	◆ A series of regulatory revisions are being made to measures promoting the use of generics, including raising the patient copayment under the selective care system to one-half, shortening the application period of the G1 rule from 10 years to five years, and setting the NHI prices of Authorized Generics (AGs) at the same level as those of their original drugs. ◆ Downward pressure on prices from annual NHI drug price revisions continues, requiring the industry as a whole to achieve even greater operational efficiency.

I-2. Highlights of FYE6/2026 Financial Results

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Net sales and all profit levels hit new record highs.

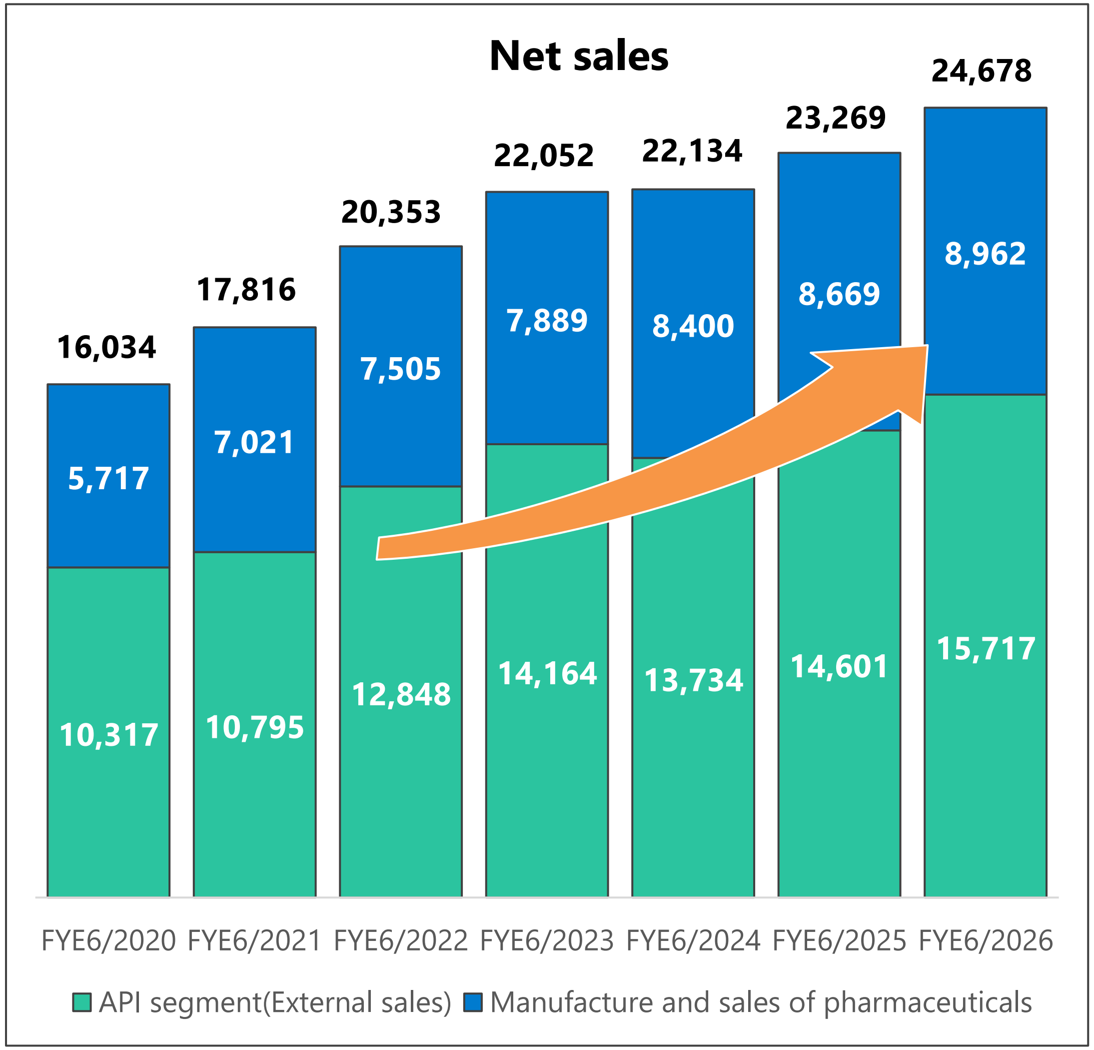
Net sales	Operating profit	Profit attributable to owners of parent
¥24.67 bn	¥5.47 bn	¥3.74 bn
YoY +6.1%	YoY +2.3%	YoY +3.0%

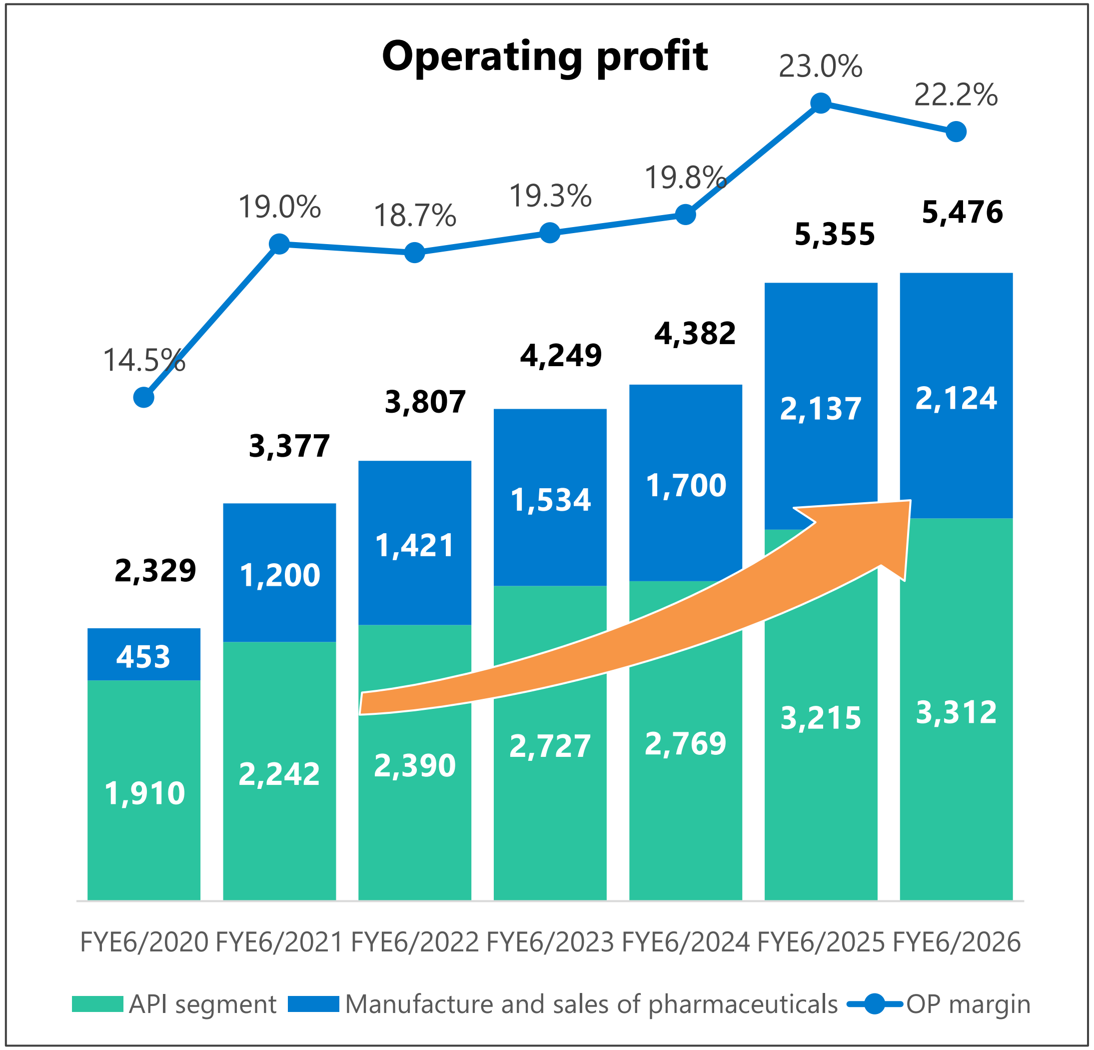
ROE	PBR	Dividend payout ratio (Planned)
12.6%	1.02x	20.2%
YoY -1.1pts	YoY -0.02pts	YoY +1.7pts

I-3. Trend of Financial Results

Net sales have continued to increase for eight consecutive fiscal years; operating profit and other line-item profits have continued to hit new record highs for seven consecutive fiscal years.

(million ¥)





I-4. Highlights of FYE6/2027 Financial Results Forecast

**With sales expected to increase in both segments, consolidated net sales are forecast to rise 8.2% YoY.
Despite solid performance in the API segment, consolidated operating profit is forecast to decline 3.8% YoY due to lower profit in the manufacture and sales of pharmaceuticals.
Operations at Zao Factory 2 are scheduled to begin in March 2027.**

Net sales	Operating profit	Profit attributable to owners of parent
¥26.70 bn	¥5.27 bn	¥3.59 bn
YoY +8.2%	YoY -3.8%	YoY -4.2%

*EBITDA : ¥6.00bn (YoY-1.4%)

Cash dividends (Forecast)	Dividend payout ratio (Forecast)
¥19	22.3%
YoY +¥1	YoY +2.1pts

I-5. FYE6/2027 Forecasts Overview

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In FYE6/2027, the API segment is expected to record higher sales and profit, while the manufacture and sales of pharmaceuticals is expected to record higher sales but lower profit due to declining sales of mainstay tablet products and increasing cost.

We aim to begin operations at Zao Factory 2 in March 2027.

(million ¥)

		FYE6/2026	FYE6/2027 Forecast	YoY	Change (%)	FYE6/2028 Target
Net sales		24,678	26,700	2,022	8.2	31,900
	API segment (external sale)	15,717	17,380	1,663	10.6	19,730
	Manufacture and sales of pharmaceuticals	8,961	9,320	359	4.0	12,170
Operating profit		5,476	5,270	-206	-3.8	6,530
	API segment	3,312	3,350	38	1.1	3,600
	Manufacture and sales of pharmaceuticals	2,123	1,950	-173	-8.1	2,900
	Adjustments	39	-30	-69	–	30

I-6. Completion of Zao Factory 2

The construction of Zao Factory 2 was completed on June 30, 2026, followed by a completion ceremony on July 3.

We aim to begin operations in March 2027, earlier than initially planned.

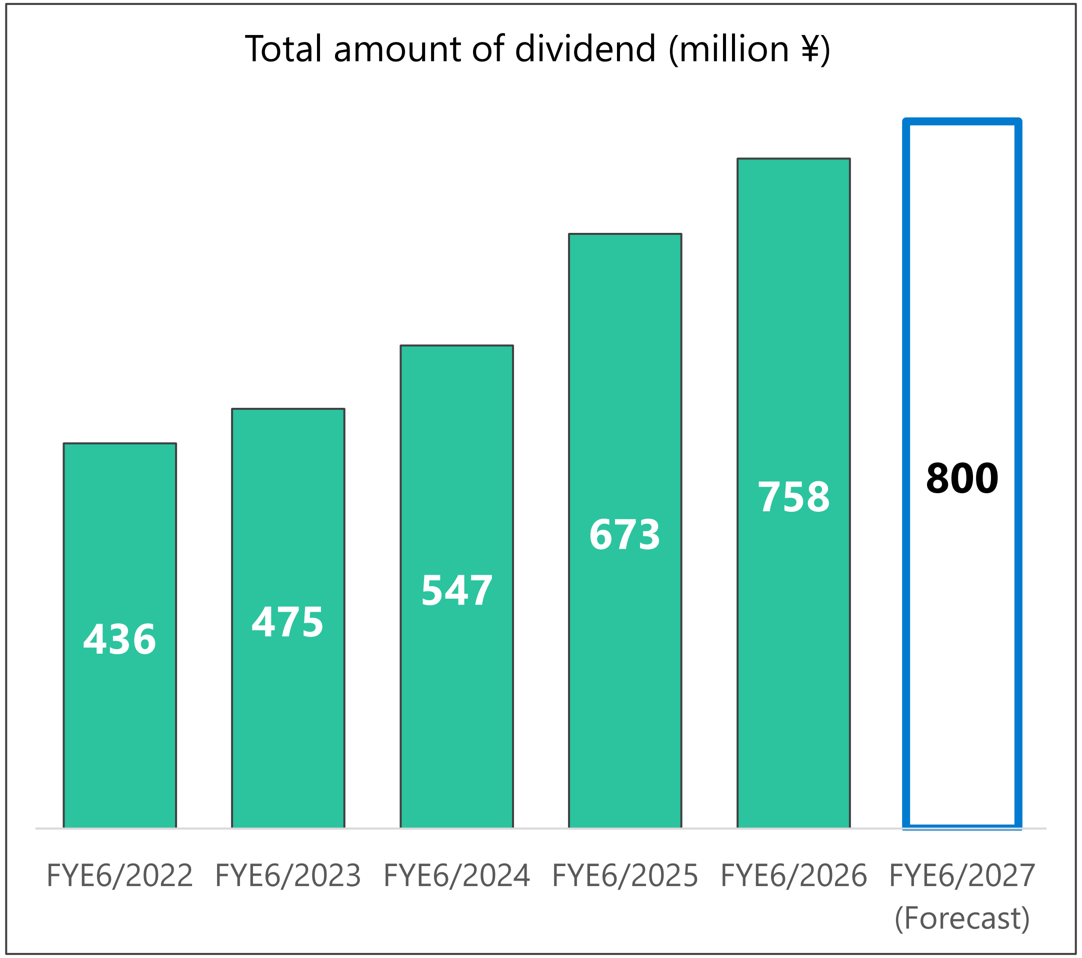
From top left
- Factory exterior
- Completion ceremony
  (Toshihiro Hirono, Executive Vice President and Representative Director in charge of the Manufacture and Sales of Pharmaceuticals Segment; President, Representative Director of KOA ISEI CO., LTD.)

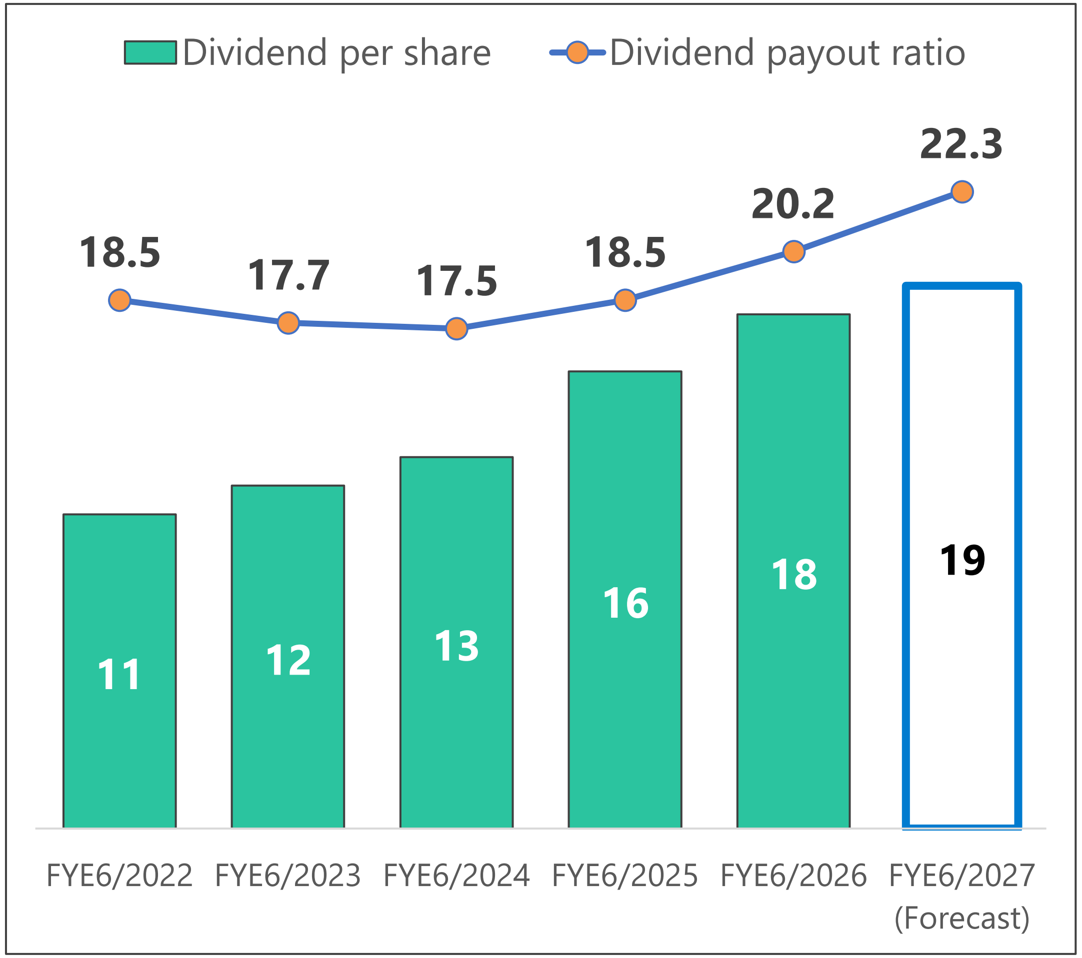
From bottom left
- Filling and Assembly Room
  (integrated filling line)
- Compounding Room
  (solution preparation equipment)
- Washing Room

Ⅰ-7. Return to Shareholders : “annual dividend growth in principle”

Forecast a dividend increase of 1 yen to 19 yen per share for FYE6/2027.

Determine the dividend amount based on a comprehensive assessment, with a payout ratio of 20% or higher as a benchmark. Record date: June 30





I-8. Our Group's Initiatives for Trust

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Our system for checking legal compliance and quality control

Internal

・Self-inspections
・Annual reviews
・Consistency inspections

➕

- **Intergroup unannounced audits**
- **Compliance audits under the Pharmaceuticals and Medical Devices Act (PMD Act) by the Internal Audit Office**

Management education

External

・Inspections by authorities
・Audits by clients

	API segment	Pharmaceuticals segment
Authorities	4 times/year	2 times/year
Clients	34 times/year	7 times/year

*FYE6/2026 results / Total number of on-site, written, and remote inspections

By regularly implementing these initiatives,
we continue to ensure the quality, safety, and stable supply of generic drugs.

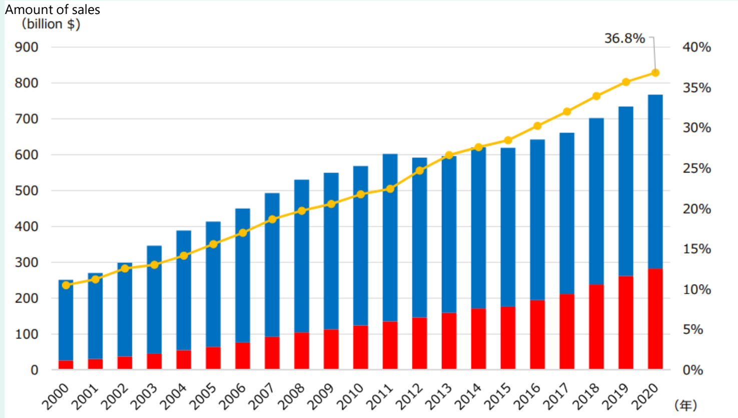
II. Medium- to Long-term Business Plan

1. 10-Year Long-Term Business Plan
2. Vision of Group's Growth in 10-Year Long-Term Business Plan
3. 10-Year Long-Term Business Plan Financial Targets
4. Progress of Medium-term Plan
5. Growth Strategy in API Segment
6. Growth Strategy in Pharmaceuticals Segment
7. Medium- to Long-term Business Strategy—Manufacture and sales of pharmaceuticals
8. Characteristics of Zao Factories
9. Group Synergies
10. Cash Allocation
11. Growth Investment and Shareholder Return

II-1. 10-Year Long-Term Business Plan

In 2020, we developed a long-term business plan and announced our sustainable growth strategy.

Environmental Changes Surrounding Medical Field and Sustainable Growth of the Group



注) 新規モダリティとはEvaluatePharmaの “Technology” における “Biotechnology”に分類される品目
抗体、組換えタンパク、遺伝子組み換えワクチン、核酸医薬、遺伝子細胞治療、遺伝子治療、細胞治療、腫瘍溶解ウイルス

出所： EvaluatePharmaをもとに医薬産業政策研究所にて作成（2021年2月時点）

In the medical field, the focus on new drug development is shifting from conventional small molecules to polymers, such as biopharmaceuticals.* Additionally, the modalities* (treatment methods) are becoming increasingly diversified and complex, including medium-sized molecules, regenerative medicine, and gene therapy, and medical care is becoming more personalized.

Achieve both economic and social values in the modality revolution as an opportunity to increase corporate value

2020
- TSE Prime
- API import trading company
- Generic manufacturer focusing on injections

2025
- Introduction of pharmaceuticals produced overseas
- Improvement of injection quality and production capacity
- M&A is also an option
- Approaches to sustainability

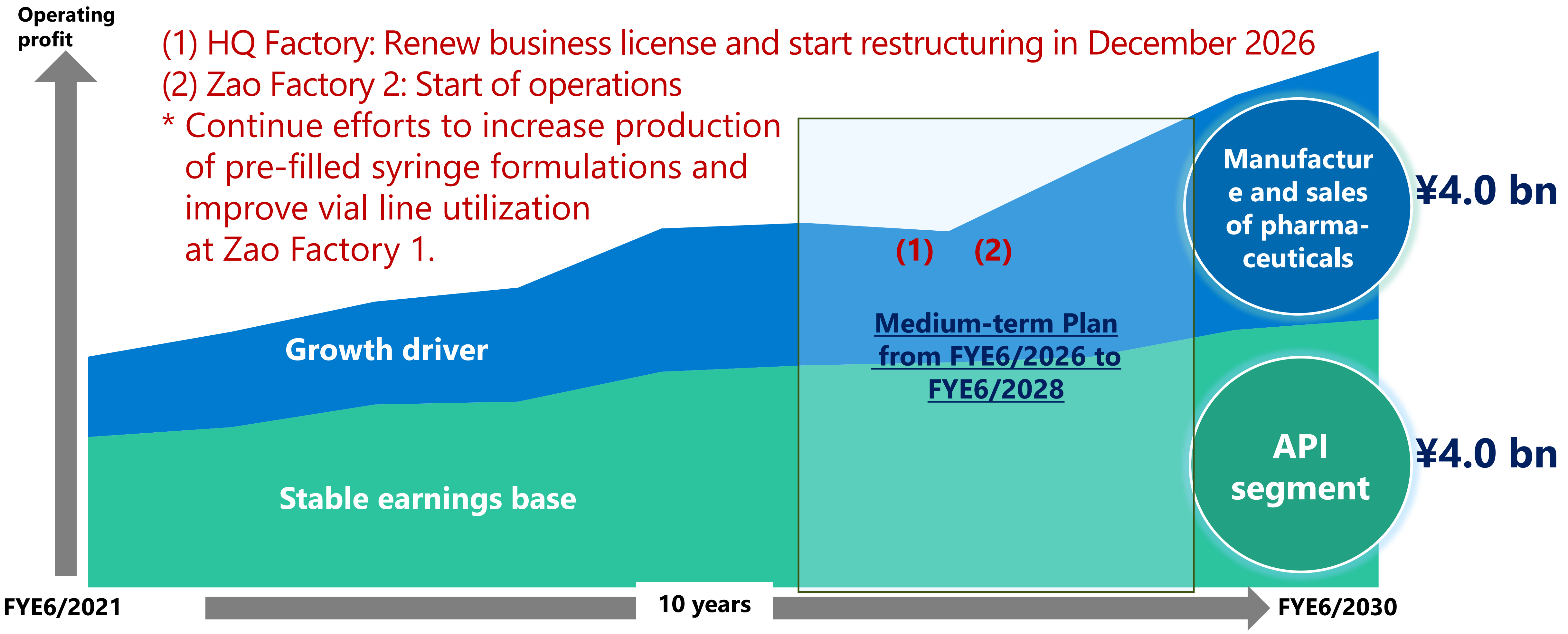
2030
- Trading company specializing in pharmaceuticals
- Top Domestic manufacturer of specialized injectables

＊Modalities: types of drug discovery and therapeutic methods such as small molecule compounds, peptide (medium-sized molecule) drugs, antibody drugs, nucleic acid drugs, biopharmaceuticals, etc.
＊Biopharmaceuticals: pharmaceuticals produced by applying biotechnologies such as gene recombination and cell culture technologies

Quote: New Modality Global Pharmaceutical Sales Trends
Source: Ministry of Health, Labour and Welfare
“Pharmaceutical Industry Vision 2021” (Document)

II-2. Vision of Group's Growth in 10-Year Long-Term Business Plan

Medium-term Plan for FYE6/2026 to FYE6/2028
Strengthen business foundation to achieve the long-term business plan targeting FYE6/2030.



II-3. 10-Year Long-Term Business Plan Financial Targets

We aim to expand our growth driver, the manufacture and sales of pharmaceuticals, to achieve operating profit of 8.0 billion yen by the year ending June 30, 2030.

(million ¥)

Financial	FYE6/2025 (Actual)	FYE6/2026 (Actual)	FYE6/2027 (Forecast)	FYE6/2028 (Target)	FYE6/2030 (Target)
Consolidated net sales (excl. intra-group transactions)	23,269	24,678	26,700	31,900	40,000
Consolidated operating profit	5,355	5,476	5,270	6,530	**8,000**
ROE	13.7%	12.6%	12% or higher		Aim for further increase

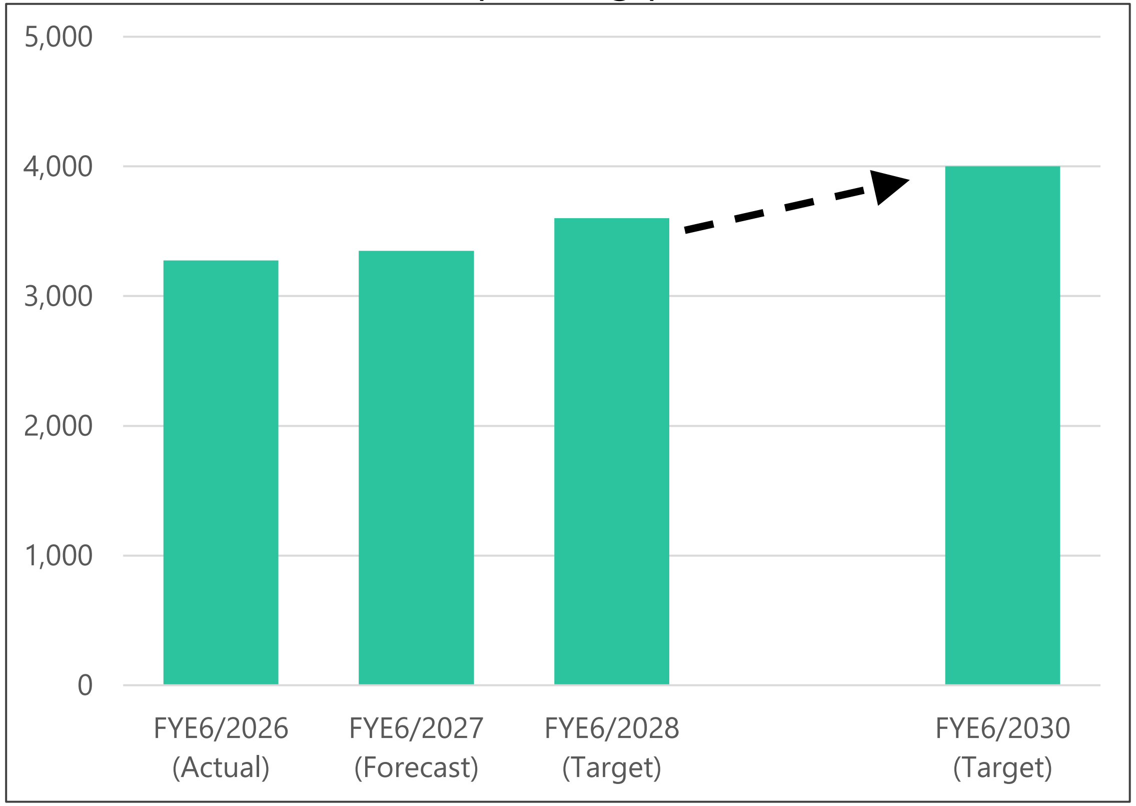
II-4. Progress of Medium-term Plan

Segment	Medium-term Business Strategy	Status of Initiatives in FYE6/2026
API	Drive credible growth toward achieving the FYE6/2030 target ・Increase the number of newly listed products ・Expand the market share of existing products ・develop business for new drug manufacturers, including long-listed drugs	・Achieved the target for **newly listed products**, primarily with major generic drug manufacturers. ・Achieved the target for developing **new 2nd-source** projects. ・The number of **new items investigated** by the Development Department increased steadily.
	Strengthen and diversify the supply chain	Achieved the targets for meetings with key suppliers and joint visits to customers.
	Promote new businesses toward becoming a "pharmaceutical specialized trading company"	The number of proposals increased from the previous fiscal year.
Manufacture and Sales of Pharmaceuticals	Promote CDMO strategy ・Full-scale launch of contract business at Zao Factory ・Increase production of pre-filled syringe formulations ・Acquire new contracts for vial liquid formulation and freeze-dried formulation	・Efforts to **secure** new **contracts** for syringe formulations progressed steadily. ・Achieved the production target for **Maxacalcitol**. ・A **new** CDMO project for **a vial liquid formulation** progressed steadily, including the manufacture of investigational drugs.
	Start operations of Zao Factory 2 as early as possible	Aiming to **bring forward the start of operations at Zao Factory 2** in response to expansion of the syringe product market.
	Consider new developments by strengthening group synergies	Development of candidate products is underway. API selection and market research were conducted for several other products.

II-5. Growth Strategy in API Segment

Long-term growth strategy:
From an API import trading company to a pharmaceutical specialized trading company

[Operating profit]



[Number of items under development or investigation]

More than 70 items (as of June 2026)

[Seven business strategies]

(1) Drive credible growth toward achieving the FYE6/2030 target

- **Maximize the number of newly adopted items** through an organization-wide approach **(newly listed products, MSPs*, original drugs)**

(2) Strengthen and diversify the supply chain

- **Diversify** the supply chain and strengthen the stable supply system
- Deepen partnerships

(3) Promote digital transformation and utilize artificial intelligence technology in business operations

- Transform business operations by implementing DXP2 and leveraging data and AI

(4) Promote new businesses toward becoming a "pharmaceutical specialized trading company"

- Establish **new businesses (exports and formulations)** and business models for new modalities

(5) Back office covering evolving needs

- Evolve into an "execution-support back office" that accelerates sales activities
- **Renovate Yokohama Pharmaceutical Analysis Center**

(6) Enhance group synergies

(7) ESG efforts

*Multi Source Project

II-6. Medium- to Long-term Business Strategy—Manufacture and Sales of Pharmaceuticals

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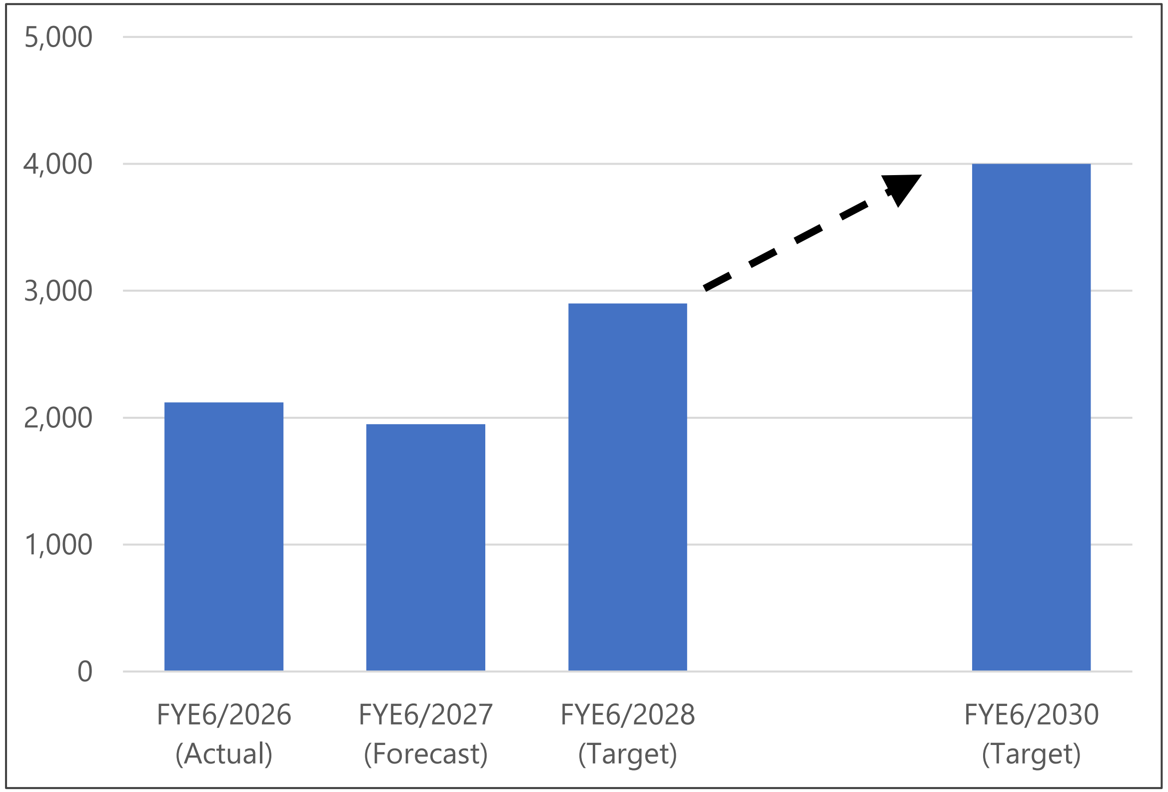
Long-term growth strategy:
From a generics manufacturer focusing on injections to a leading domestic manufacturer of distinctive injections

[Operating profit]



[CDMO projects]

Approx. 10 projects, mainly involving highly pharmacologically active injections, including new modalities (FYE6/2026 actual)

[Four business strategies]

(1) Toward achieving the FYE6/2030 target

- **Bring forward the start of operations** at Zao Factory 2 from July to March 2027
- Implement a stable supply system in view of corporate indicators

(2) Promote CDMO strategy

- **Secure new contracts** for syringe formulations, vial liquid formulations, and freeze-dried formulations
- **Explore new product development** by strengthening group synergies

(3) Comply with laws and regulations

- Strengthen the quality management system in response to the amended PMD Act and ensure stable supply of safe and reliable pharmaceuticals

(4) Well-being management

- Strengthen organizational accountability as a pharmaceutical marketing authorization holder through **human capital investment and training**

II-7. Growth Strategy in Manufacture and Sales of Pharmaceuticals Segment

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We will **strengthen our contract business** based on a **consistent CDMO* system from development to manufacture**, specializing in syringes and vials for injectable drugs. With the construction of mass-production type Zao Factory 2, we will utilize the characteristics of Zao Factory 1, which is one of the few plants in Japan that manufactures a wide variety of high-pharmacological formulations in small quantities.

*CDMO: Contract Development and Manufacturing Organization

Development

Manufacture

Zao Factory 1

- Pre-filled syringes
- Vials

High-mix low-volume production

Supports investigational new drug production and commercial production by utilizing the characteristics of high-mix low-volume production lines for high-pharmacological value-added formulations.

Syringe formulation: Approx. 4.8 million units (1ml)/ year*
Vial formulation (liquid): Approx. 0.9 million units (1ml)/ year
Freeze-dried formulation: Approx. 0.6 million units (1ml)/ year
*Production capacity in full-time operation with three 8-hour shifts.

Zao Factory 2

(Operations to be started in March 2027)

- Pre-filled syringes

Low-mix high-volume production

Promotes business expansion as a mass-production plant for highly pharmacologically active sterile formulations, with annual production capacity of 12 million units*1.
Aims for annual production capacity of 16 million units*2 in the future.

*1 Production capacity with two 8-hour shifts for filling and one 8-hour shift for inspection and packaging.
*2 Production capacity with three 8-hour shifts for filling and one 8-hour shift for inspection and packaging.

HQ Factory

- Tablets
- Injections

Manufactures solid dosage forms, including Lanthanum Carbonate OD tablets.

Promotes contract manufacture of injectable drugs.

Zao Warehouse

Operating from March 2024 to strengthen stable supply system

II-8. Characteristics of Zao Factories

Zao Factory 1

High-mix low-volume production

Single-use manufacturing

Characteristics	High-mix low-volume production (Syringe and vial formulations)
Building area	1,917㎡
Total floor area	3,329㎡
Filling equipment	Syringe line and vial line for liquid and freeze-dried formulations
Production capacity	Syringe formulation: Approx. 4.8 million units (1ml)/ yr Vial formulation (liquid): Approx. 0.9 million units (1ml)/yr Freeze-dried formulation: Approx. 0.6 million units (1ml)/yr
Products manufactured	Highly pharmacologically active injectable drugs / Pre-filled syringe formulations / Vial formulations

Zao Factory 2

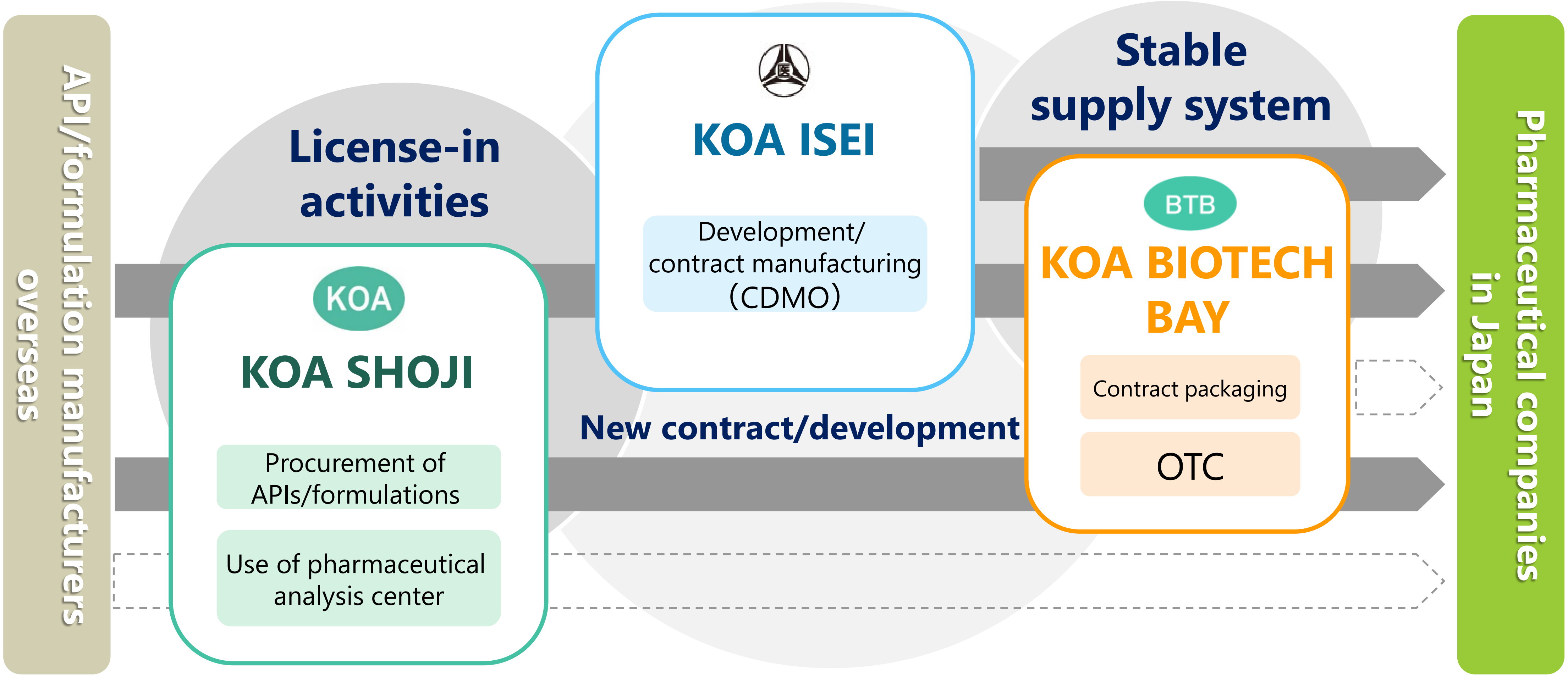
Low-mix high-volume production

Dedicated to pre-filled syringe formulations

Characteristics	Low-mix high-volume production (Syringe formulations)
Building area	2,793.10㎡
Total floor area	3,419.27㎡
Filling equipment	High-volume syringe production line
Production capacity	Syringe formulations: 12 million units/yr
Products manufactured	Highly pharmacologically active injectable drugs / Pre-filled syringe formulations

II-9. Group Synergies

Strengthen Group synergies by expanding the business areas of both segments.



II-10. Cash Allocation

Allocate cash generated during the three-year Medium-term Plan period to growth investment and return to shareholders.

FYE6/2026-FYE6/2028 (Approx. ¥17.0 bn)

Cash inflow	Cash outflow
Debt financing	Return to shareholders
Operating cash flow	Growth investment
	R&D expenses
	Repayments of borrowings

Policy

Achieve **sustainable corporate growth** through a cycle of **investment, recovery, and return.**

■ Return to shareholders: Approx. ¥2.5 bn

・Maintain a basic policy of **"annual dividend increase in principle"** and continue to pay stable dividends over the long term

■ Growth investment: Approx. ¥12.0 bn

API segment

・Renovate Yokohama Pharmaceutical Analysis Center

・Do repair work of existing sites in conjunction with renovation, etc.

Manufacture and sales of pharmaceuticals

・Construct Zao Factory 2

・Renovate HQ Factory

・Introduce packaging machinery, etc.

■ R&D expenses: Approx. ¥0.6 bn

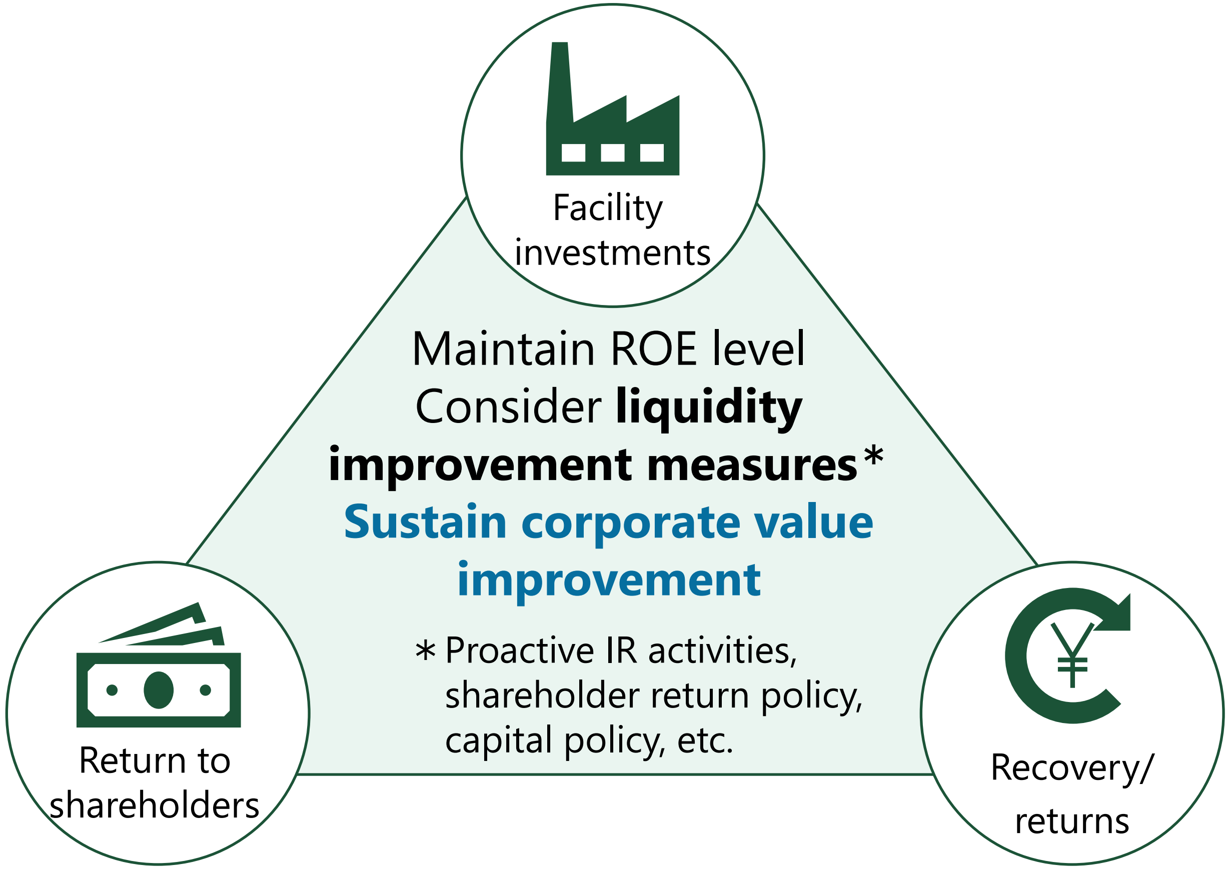
■ Repayments of borrowings: Approx. ¥1.0 bn

■ Other

Consider **further facility investments, M&A, and enhancement of shareholder returns**

II-11. Growth Investment and Shareholder Return

Achieve **sustainable corporate growth** through a cycle of **investment, recovery, and return** and realize cost-conscious management



Facility investments

Promote **facility investments** for medium- to long-term growth strategy to become

- a pharmaceutical specialized trading company
- a top manufacturer of distinctive generic injectables

Recovery/returns

Create a business plan for medium- to long-term growth and **announce numerical targets**

Return to shareholders

Annual dividend growth in principle

Maintain or increase dividends with profit in mind

III. FYE6/2026 Financial Results Overview and FYE6/2027 Forecasts

III-1. Highlights of Financial Results

YoY results comparison:
Both consolidated net sales and operating profit hit new record highs.

Depreciation decreased, while R&D expenses remained flat.
Facility investments increased due to the construction of Zao Factory 2.

(million ¥)

	FYE6/2025 Actual	FYE6/2026 Actual	YoY	Change (%)
Net sales	23,269	24,678	1,409	6.1
Gross profit	7,697	8,004	306	4.0
Operating profit	5,355	5,476	120	2.3
Ordinary profit	5,375	5,521	146	2.7
Profit attributable to owners of parent	3,637	3,748	110	3.0
Dividend (yen/share)	16	18	2	12.5
Depreciation	691	614	-77	-11.1
R&D expenses	154	152	-2	-0.7
Facility investments	3,077	3,784	708	23.0

III-2. Highlights of Financial Results by Segment (1)

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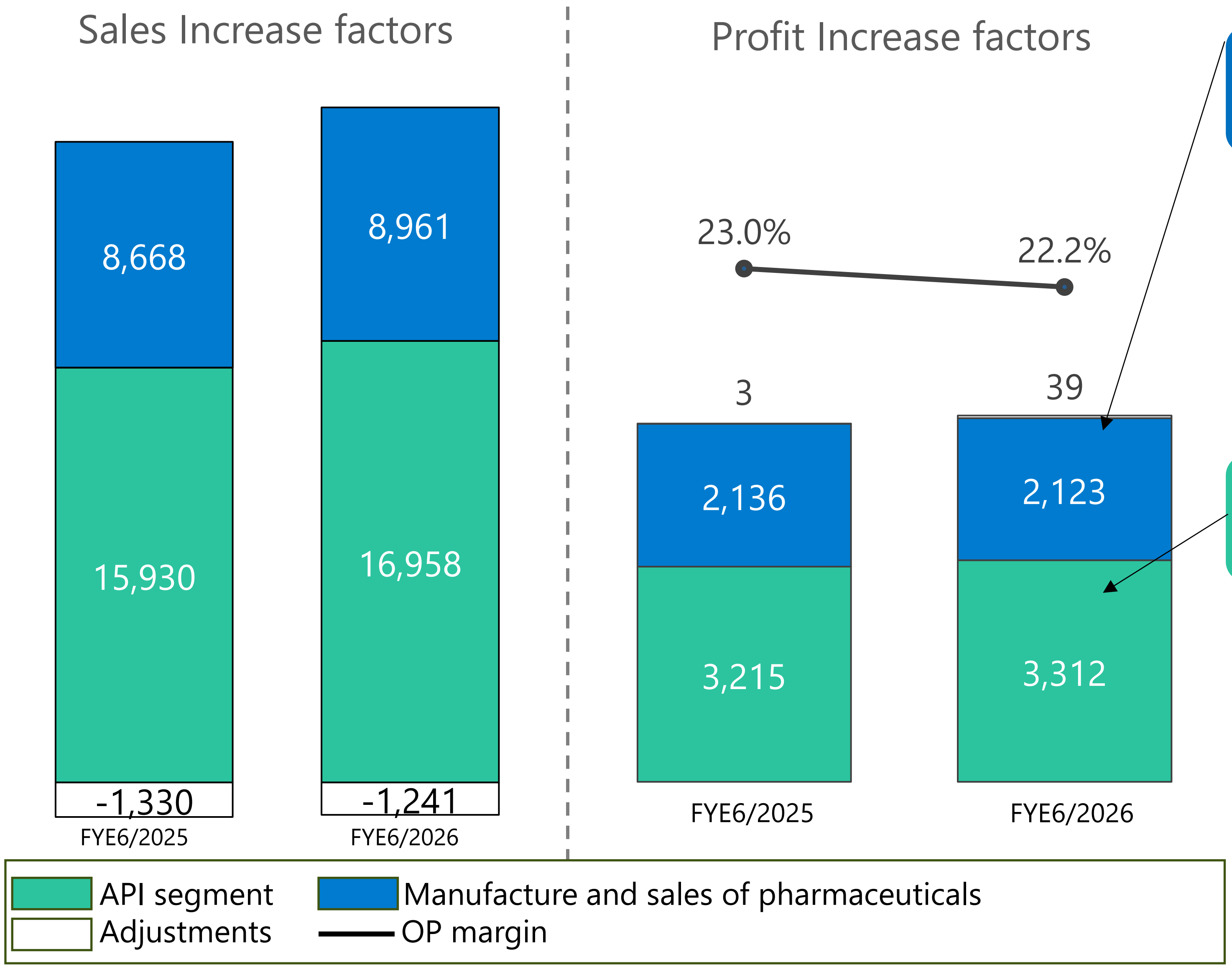
Sales increased in both segments, while profit grew in the API segment.

(million ¥)

	FYE6/2025 Actual	FYE6/2026 Actual	YoY	Change (%)
Net sales	23,269	24,678	1,409	6.1
API segment	15,930	16,958	1,027	6.5
API segment (external sale)	14,600	15,717	1,116	7.7
Internal sale	1,330	1,241	-88	-6.7
Manufacture and sales of pharmaceuticals	8,668	8,961	293	3.4
Adjustments	-1,330	-1,241	88	－
Operating profit	**5,355**	**5,476**	**120**	2.3
API segment	3,215	3,312	97	3.0
Manufacture and sales of pharmaceuticals	2,136	2,123	-12	-0.6
Adjustments	3	39	36	1,200.0
(OP margin)	23.0%	22.2%	-0.8%	－
Ordinary profit	**5,375**	**5,521**	**146**	2.7
Profit	**3,637**	**3,748**	**110**	3.0

III-2. Highlights of Financial Results by Segment (2)



Manufacture and sales of pharmaceuticals

- Sales of pre-filled syringe formulations and antitumor-agent vial formulations manufactured under contract remained solid.
- Sales of tablets, our mainstay products, decreased primarily due to the entry of competitors into the market. As a result, sales increased, but profit remained almost unchanged.

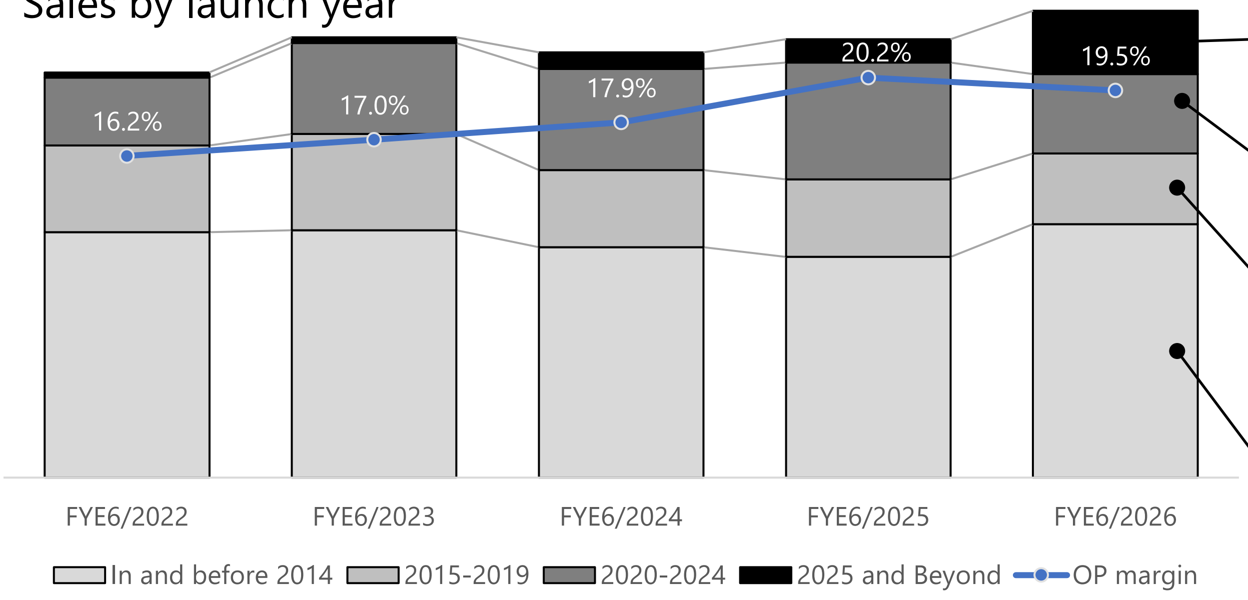
API segment

- Sales and profit increased, thanks to expanded sales of recently launched products and higher transaction volumes driven by an increase in the volume share of generics due to the selective care system and other factors.
- The operating margin declined, partly due to higher personnel expenses.
- Prevailing exchange rates (FYE6/25/FYE6/26): USD 150/152; EUR 162/176

III-3. API Segment Net Sales Analysis

Sales increased, driven by strong performance of products launched since 2025.

Sales by launch year



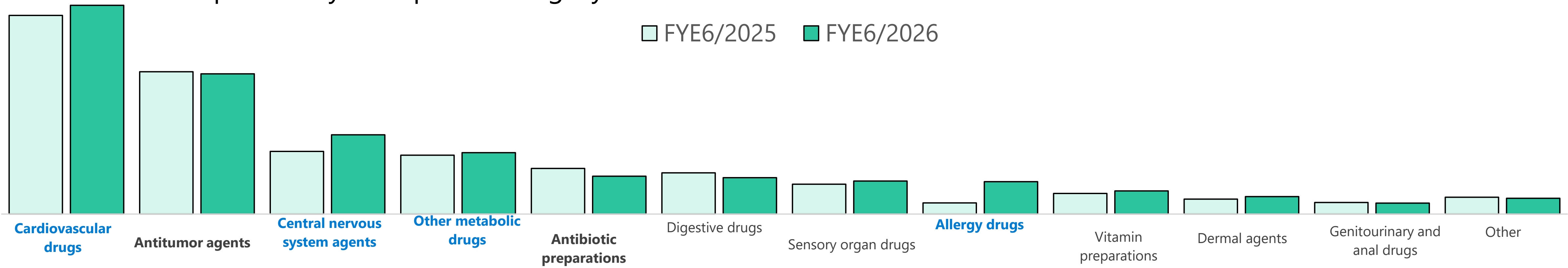
Allergy drugs, Central nervous system agents, Other metabolic drugs:
Sales grew partly due to expanded sales of recently launched products and growth in volume share.

Antitumor agents, Cardiovascular drugs:
Sales decreased partly due to customers' purchase timing and the adoption of competing APIs.

Antibiotic preparations:
Sales decreased partly due to customers' purchase timing and inventory adjustments by key customers.

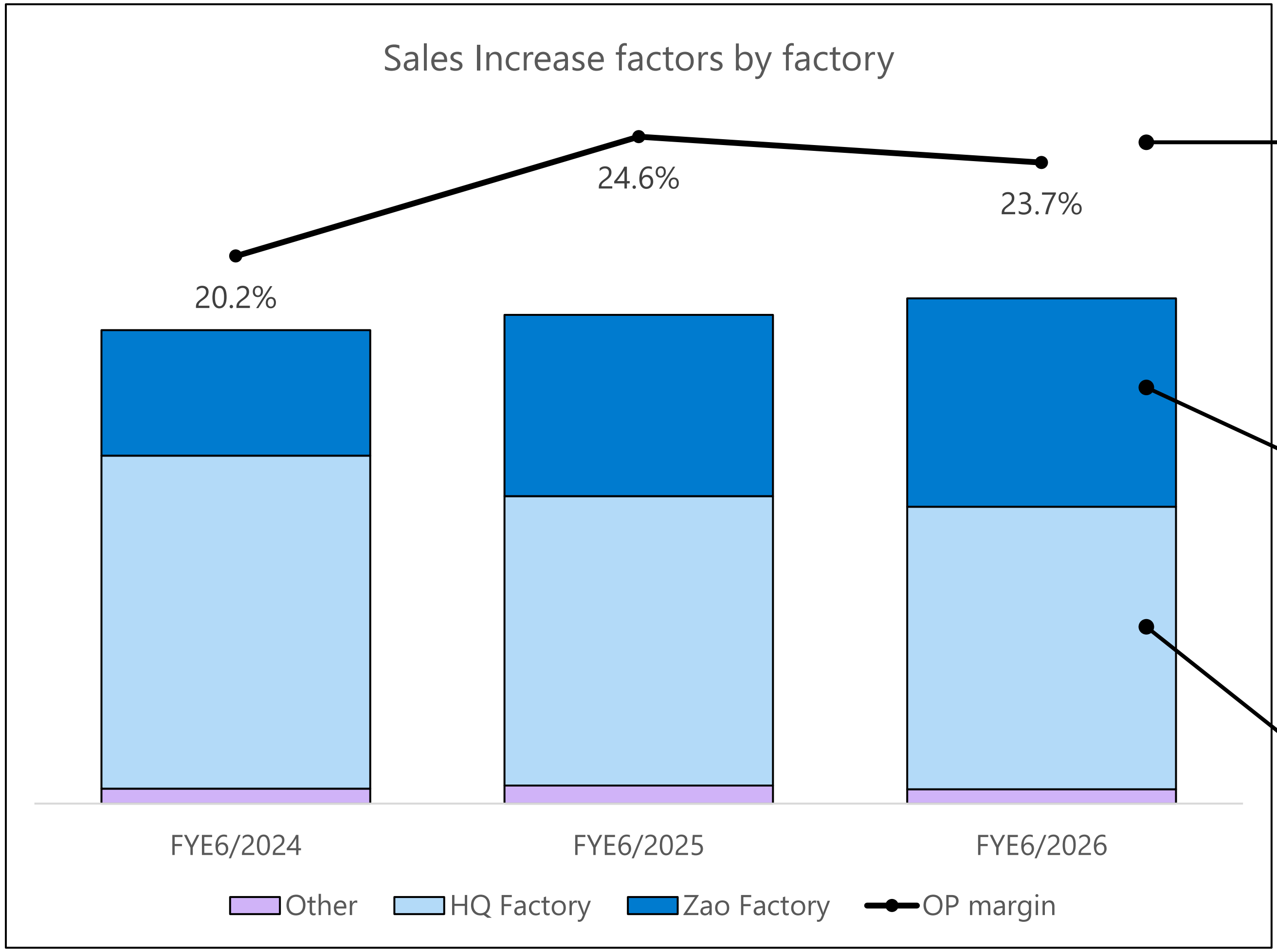
Antitumor agents, **Cardiovascular drugs**:
Sales increased partly due to growth in volume share resulting from the selective care system and the completion of inventory adjustments by key customers.

YoY sales comparison by therapeutic category



Ⅲ-4. Manufacture and Sales of Pharmaceuticals Net Sales Analysis

While sales of mainstay products produced by Zao Factory remained strong, sales of those produced by HQ Factory declined due to the entry of competitors into the market and other factors. As a result, the segment saw higher sales, but profit remained almost unchanged.



Operating margin

The profit margin also declined due to lower sales of mainstay tablets and other mainstay products of HQ Factory.

Zao Factory

Sales of pre-filled syringe formulations and antitumor-agent vial formulations manufactured under contract steadily increased.

HQ Factory

Sales of tablets, our mainstay products, declined due to the entry of competitors into the market and other factors.

III-5. Comparison with FYE6/2026 Financial Results Forecast

KOA

Net sales fell short of forecast, while operating profit and other line-item profits met forecasts. (million ¥)

	FYE6/2026 Actual	FYE6/2026 Forecast	YoY	Change (%)
Net sales	**24,678**	**25,700**	**-1,022**	-4.0
API segment	16,958	17,820	-862	-4.8
API segment (external sale)	15,717	16,620	-903	-5.4
Internal sale	1,241	1,200	41	3.4
Manufacture and sales of pharmaceuticals	8,961	9,080	-119	-1.3
Adjustments	-1,241	-1,200	-41	―
Operating profit	**5,476**	**5,430**	**46**	0.8
API segment	3,312	3,300	12	0.4
Manufacture and sales of pharmaceuticals	2,123	2,150	-27	-1.3
Adjustments	39	-20	59	―
(OP margin)	22.2%	21.1%	1.1%	―
Ordinary profit	**5,521**	**5,430**	**91**	1.7
Profit	**3,748**	**3,640**	**108**	3.0

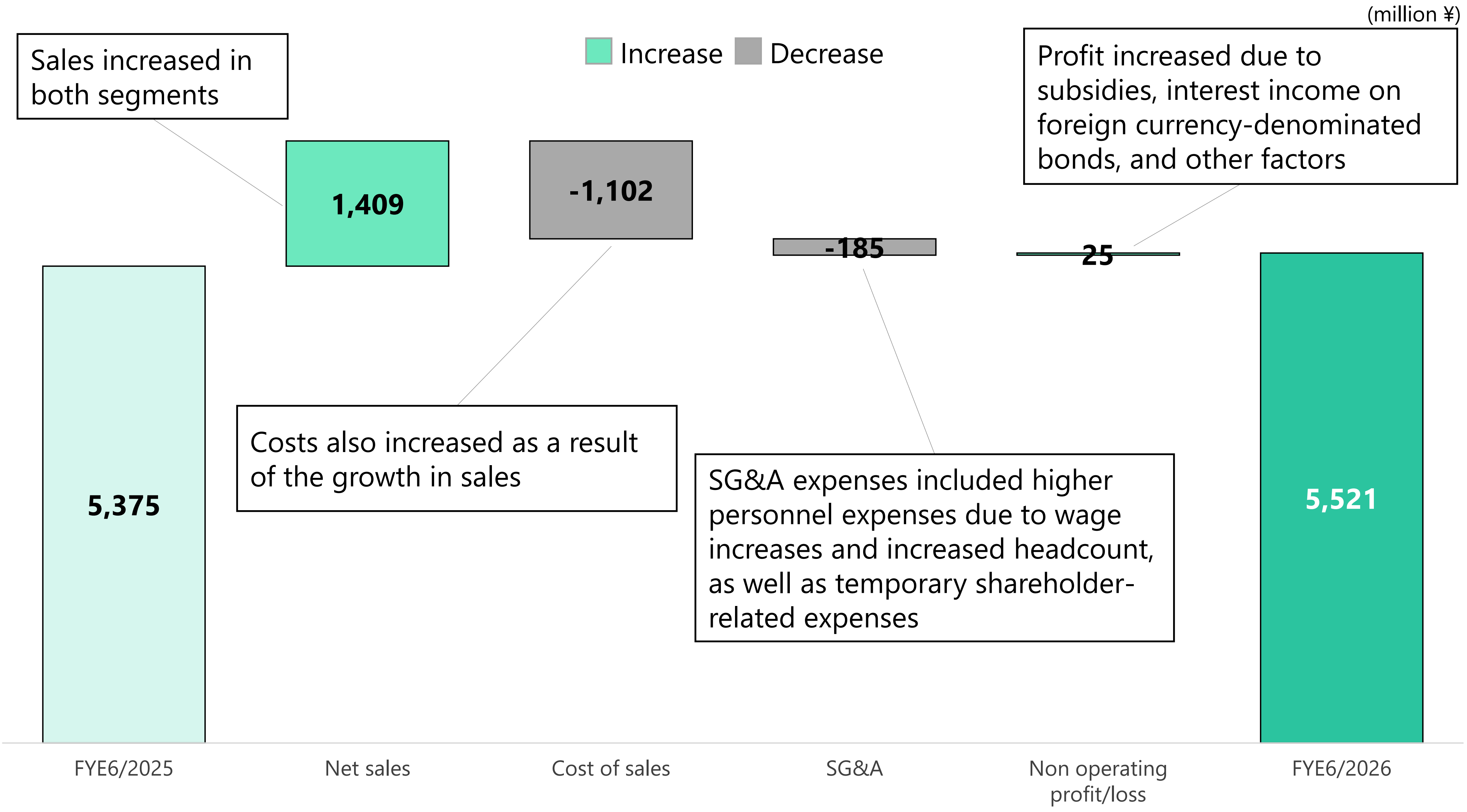
API segment

- Although net sales fell short of forecast, partly due to customers' purchase timing and inventory adjustments by key customers, operating profit met forecast thanks to expanded sales of recently launched products and other factors.
- Prevailing exchange rates (budget/FYE6/26 actual):
  USD 153/152; EUR 163/176

Manufacture and sales of pharmaceuticals

- Sales of pre-filled syringe formulations and antitumor-agent vial formulations manufactured under contract remained solid.
- Both net sales and operating profit fell short of forecasts due to a decline in sales of tablets, our mainstay products, resulting from the entry of competitors into the market and other factors.

III-6. Ordinary Profit Increase Factors



III-7. Condensed Consolidated Balance Sheet

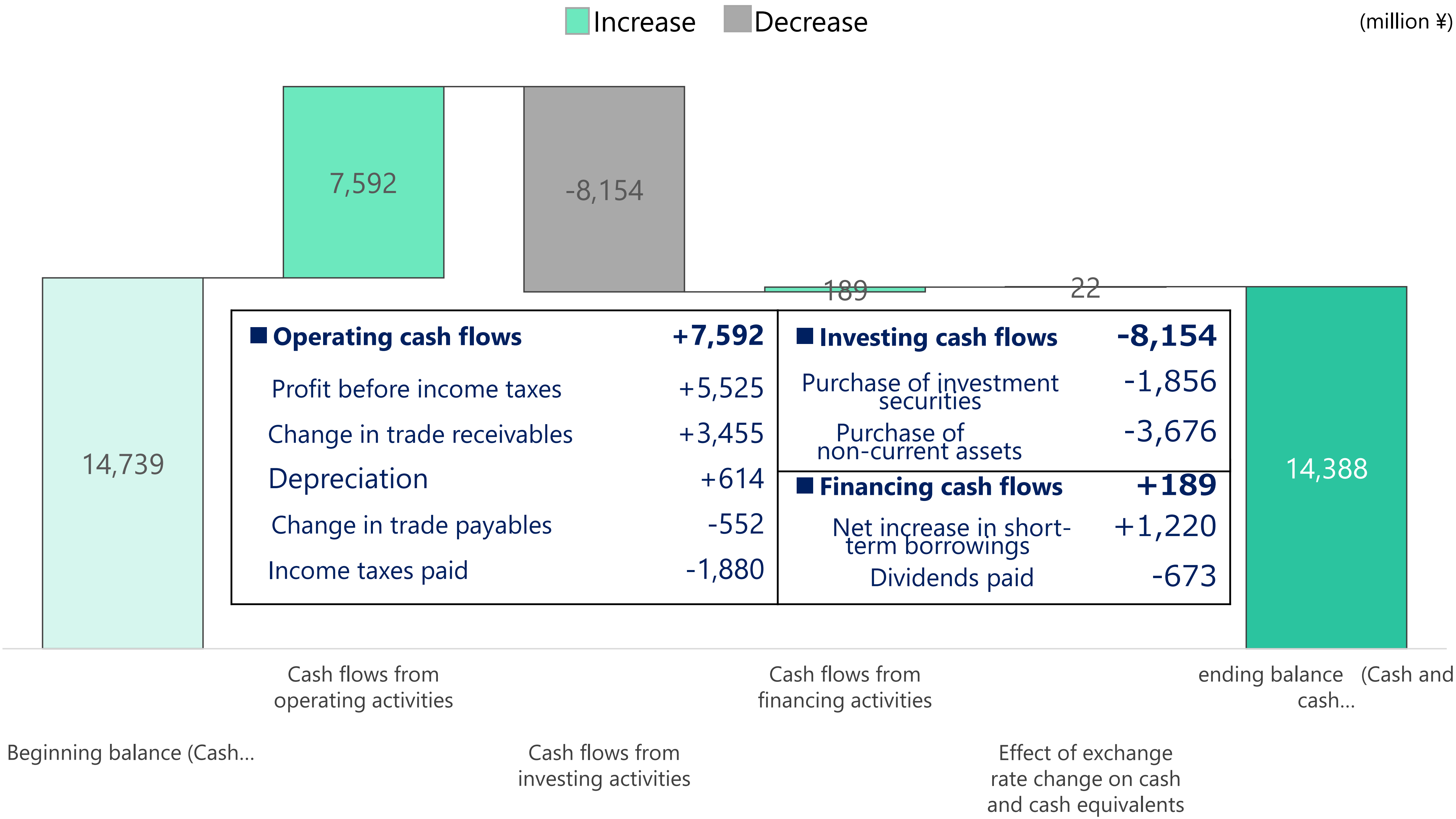
- The construction of Zao Factory 2 proceeded as planned, resulting in an increase in property, plant and equipment.
- Investments and other assets increased due to the purchase of foreign currency-denominated amortizing bonds.

(million ¥)

	FYE6/2025		FYE6/2026			FYE6/2025		FYE6/2026	
		%		%			%		%
Current assets	26,527	73.5	25,329	64.1	Current liabilities	6,363	17.6	6,951	17.6
Cash and deposits	14,919	41.3	17,210	43.5	Trade payable	2,016	5.6	1,463	3.7
Trade receivable	8,121	22.5	4,666	11.8	Short-term borrowings	1,209	3.3	2,349	5.9
Inventories	3,264	9.0	2,840	7.2	Other	3,138	8.7	3,139	7.9
Other	221	0.6	611	1.5	Non-current liabilities	1,630	4.5	1,400	3.5
Non-current assets	9,587	26.5	14,202	35.9	Long-term borrowings	1,241	3.4	971	2.5
Property, plant and equipment	9,195	25.5	12,365	31.3	Other	388	1.1	428	1.1
Intangible assets	8	0.0	7	0.0	Total liabilities	7,994	22.1	8,352	21.1
Investments and other assets	382	1.1	1,829	4.6	Total net assets	28,120	77.9	31,180	78.9
Total assets	36,114	100.0	39,532	100.0	Total liabilities and net assets	36,114	100.0	39,532	100.0

III-8. Condensed Consolidated Statements of Cash Flows

(million ¥)



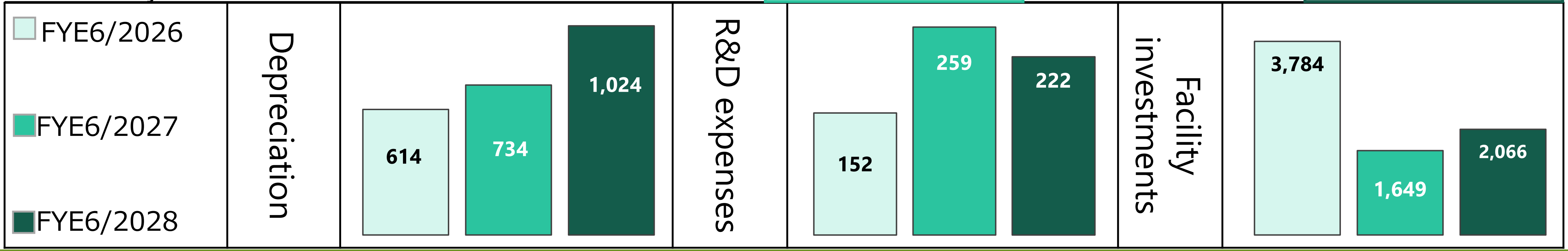
■ Operating cash flows	**+7,592**
Profit before income taxes	+5,525
Change in trade receivables	+3,455
Depreciation	+614
Change in trade payables	-552
Income taxes paid	-1,880

■ Investing cash flows	**-8,154**
Purchase of investment securities	-1,856
Purchase of non-current assets	-3,676
■ Financing cash flows	**+189**
Net increase in short-term borrowings	+1,220
Dividends paid	-673

III-9. Full-Year Financial Results Forecast

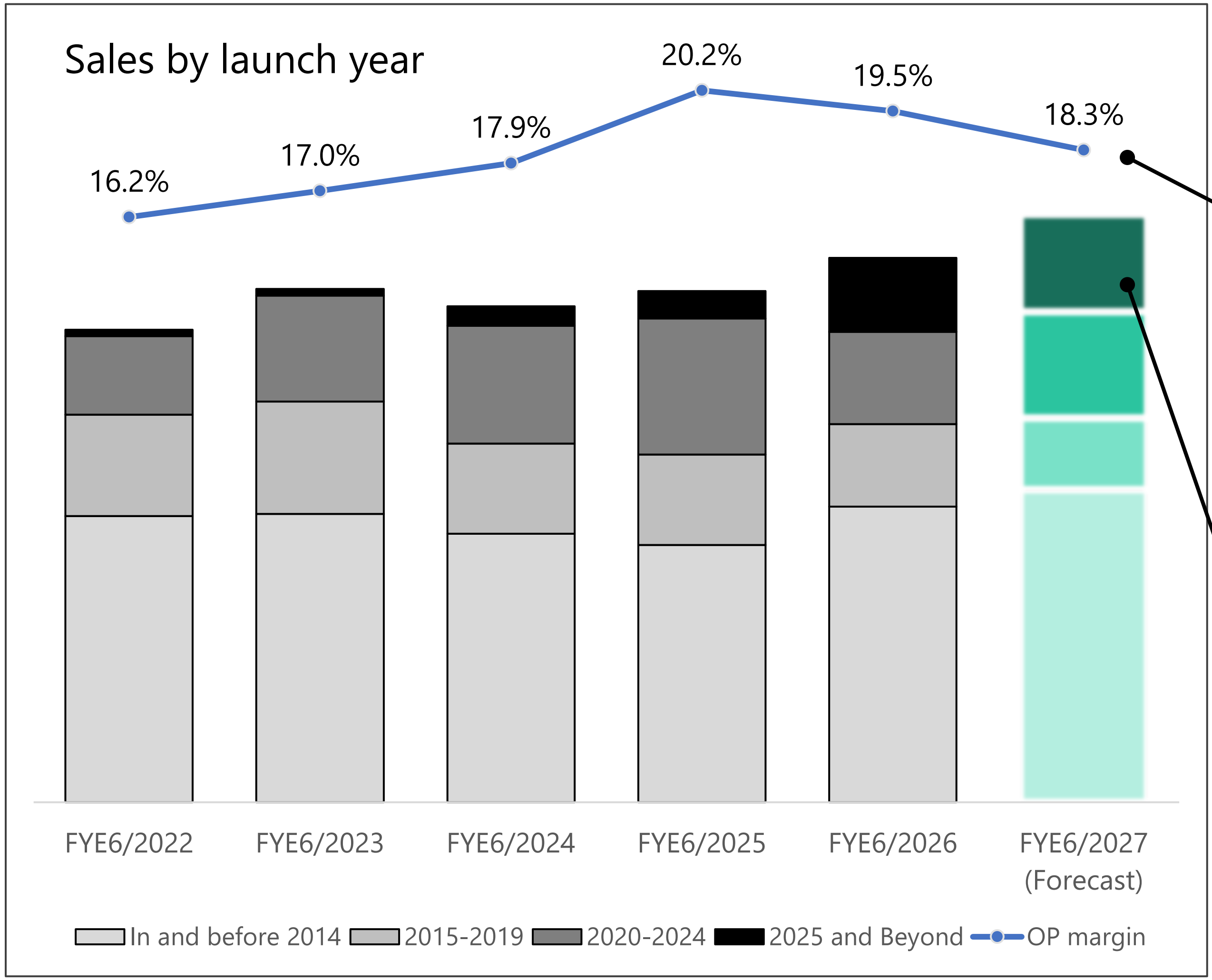
(million ¥)

	FYE6/2026	FYE6/2027 Forecast	YoY	Change (%)	FYE6/2028 Target
【Consolidated net sales】	24,678	26,700	2,022	8.2	31,900
API segment	16,958	18,310	1,352	8.0	20,930
Manufacture and sales of pharmaceuticals	8,961	9,320	359	4.0	12,170
Adjustments	-1,241	-930	311	―	-1,200
【Consolidated operating profit】	5,476	5,270	-206	-3.8	6,530
API segment	3,312	3,350	38	1.1	3,600
Manufacture and sales of pharmaceuticals	2,123	1,950	-173	-8.1	2,900
Adjustments	39	-30	-69	―	30
【Consolidated Ordinary profit】	5,521	5,260	-261	-4.7	6,430
Profit attributable to owners of parent	3,748	3,590	-158	-4.2	4,380
Depreciation	614	734	120	19.5	1,024
R&D expenses	152	259	107	70.4	222
Facility investments	3,784	1,649	-2,135	-56.4	2,066



III-10. Full-Year Financial Results Forecast by API Segment

The API segment is expected to record higher sales and profit, primarily driven by contributions from products launched since 2025.



SG&A expenses are expected to increase due to higher taxes and dues resulting from tax reforms, higher personnel expenses, and other factors. Consequently, the operating margin is expected to decline by 1 percentage point.

Budget rates: USD 158; EUR 188

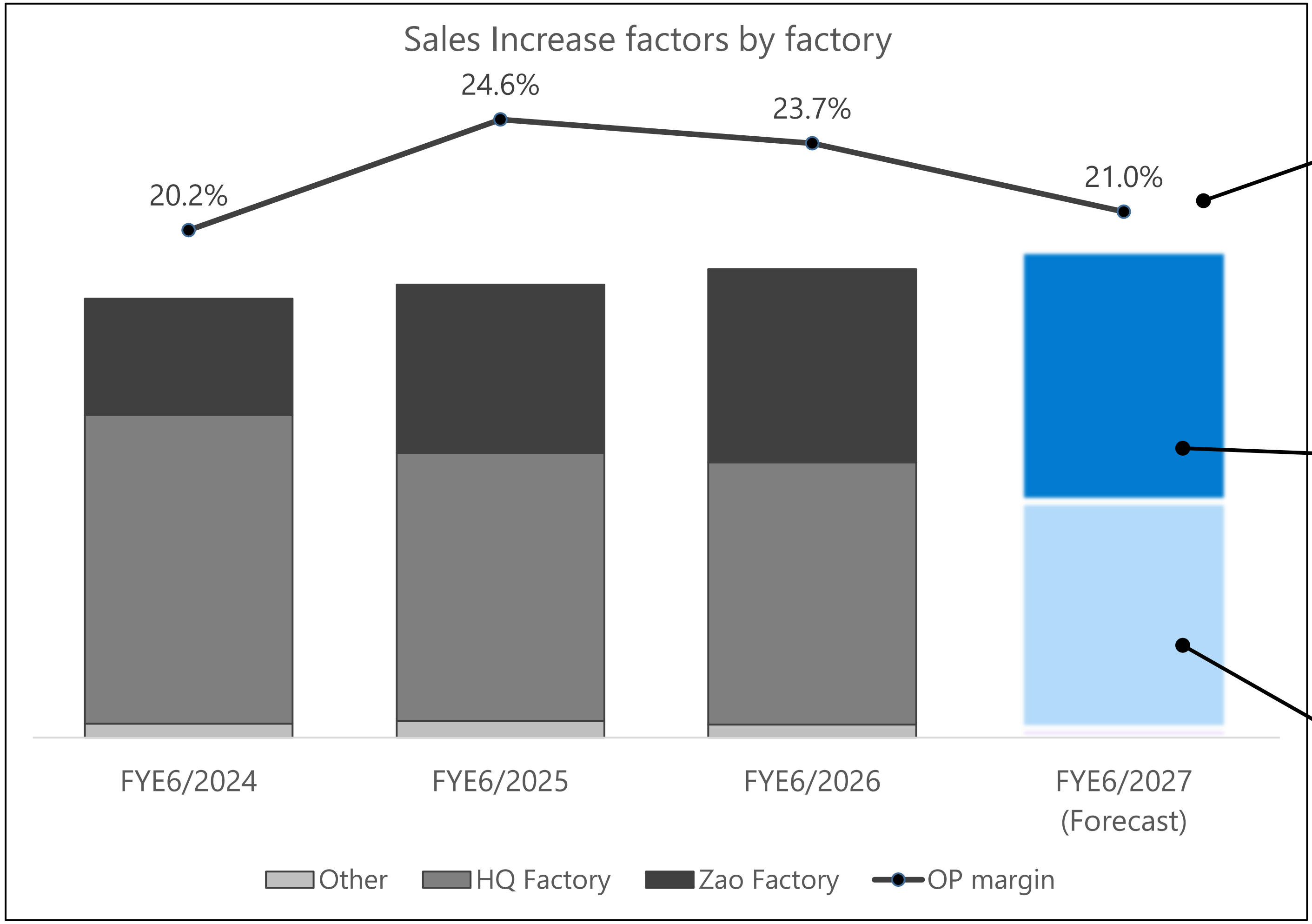
Recently launched products ⬆

Sales of products launched in 2025 and beyond are expected to remain solid.

In addition, sales of products that declined due to customers' purchase timing are expected to recover.

III-10. Full-Year Financial Results Forecast by Manufacture and Sales of Pharmaceuticals

Sales are forecast to increase, while profit is forecast to decrease due to increasing cost and lower sales of mainstay tablet products resulting from the entry of competitors and the impact of NHI drug price revisions, among other factors. To address this, we will bring forward the start of operations at Zao Factory 2 to March and increase production of mainstay pre-filled syringe formulations.



Operating margin

The operating margin is expected to decline due to lower sales of tablets, the mainstay products of HQ Factory, as well as higher Depreciation, higher personnel expenses resulting from wage increases, higher R&D expenses, and other factors.

Zao Factory

Sales are expected to increase with the start of operations at Zao Factory 2 in March 2027 and increased production of mainstay pre-filled syringe formulations.

HQ Factory

Sales of mainstay tablet products are expected to decline due to the entry of competitors into the market and NHI drug price reductions.

IV. Market Environment and Competitive Advantage of the Company's Strategy

1. SWOT Analysis
2. Trends of Generic Pharmaceutical Industry
3. Treatment of Authorized Generics (AGs) upon Initial Listing
4. Market Size: Trends in Therapeutic Drugs and Dialysis Patient Deaths by Cause
5. Prevention of Infectious Diseases and Pre-filled Syringe

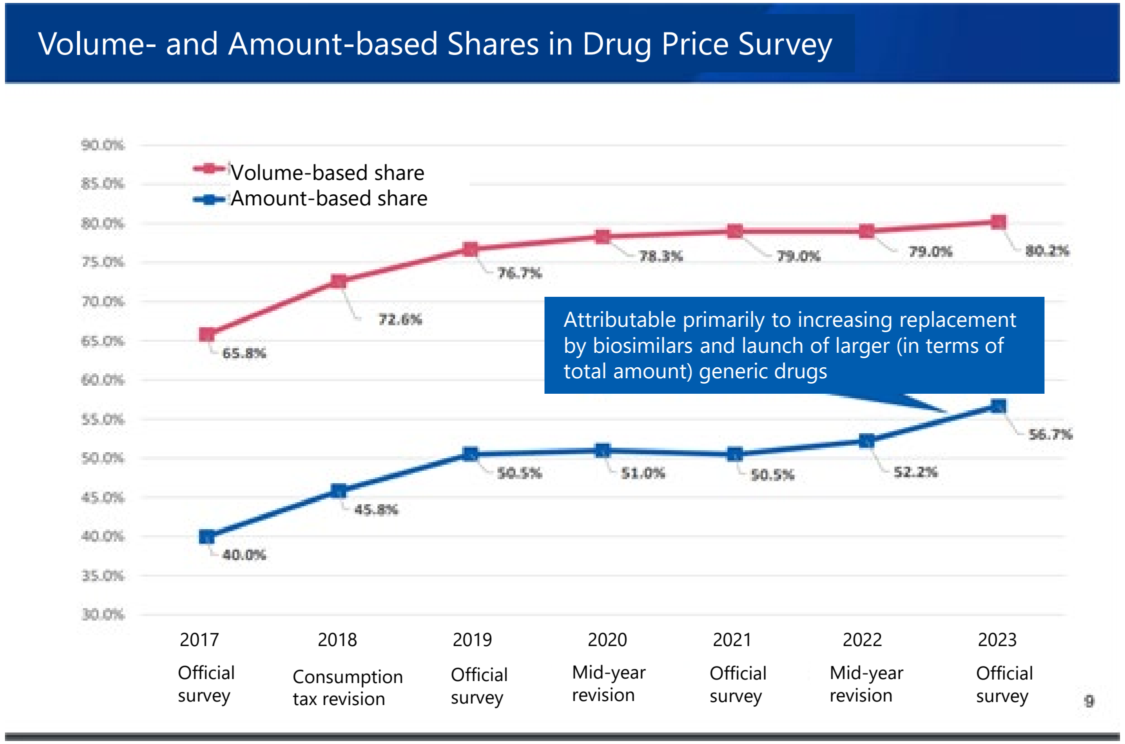
IV-1. SWOT Analysis

	Positive Factors	Negative Factors
Internal Environment	**Strengths** API: • Solid track record of transactions with 90 or more overseas suppliers in ten countries around the world, as well as with 100 or more pharmaceutical manufacturers in Japan • **Track record of API adoption for newly listed products** • Quality assurance underpinned by Pharmaceutical Analysis Center Pharmaceuticals: • Long years of experience and technological expertise in manufacturing injectable drugs • **Track record in manufacturing pre-filled syringe formulations and antitumor agents** • Integrated contracting structure covering development to manufacturing • Zao Factory to meet customer needs for high pharmacologically active injectable drugs	**Weaknesses** API: • Transactions of other than generics • Sales capacity overseas • **Maintenance/renovation of Yokohama Pharmaceutical Analysis Center** Pharmaceuticals: • Operation rate of vial lines at Zao Factory • In-house salesforce • **Business license renewal in December 2026 and reconstruction of HQ Factory**
External Environment	**Opportunities** • **Higher patient copayments for long-listed drugs under the selective care system** • **NHI prices of AGs set at the same level as those of original drugs upon initial listing** • **Promotion of collaboration and strengthening of manufacturing capacity to ensure stable supply** • Expectations for value-added generics • Modality revolution • Multi-sourcing by pharmaceutical manufacturers (2nd/3rd selections)	**Threats** • Issues associated with quality and supply of generics and implementation of stricter regulations • Annual NHI drug price revisions and company evaluation system • Harsher competition driven by the growing trend toward multi-sourcing • Impact of volatile international situation on exchange rates and logistics and other costs • **Growing shift toward domestic sourcing of certain APIs**

IV-2. Trends of Generic Pharmaceutical Industry (1)

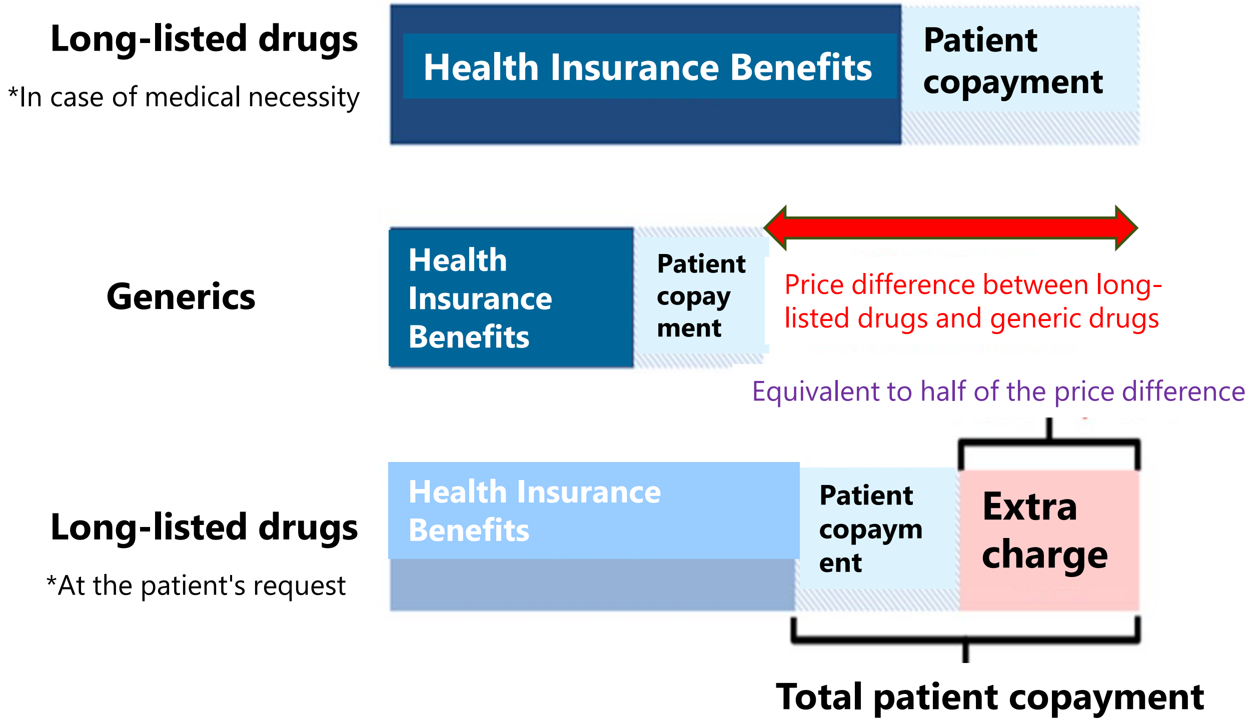
The Generics Market has expanded
to make drug prices more reasonable

A new goal in place to increase the value-based generics from 56.7% in fiscal 2023 to 65% or more by the end of fiscal 2029



Excerpts from *New Targets for Generic Drugs* in 176th Meeting of the Medical Healthcare Subcommittee of the Social Security Council, and the timetable of 172nd Meeting of the Medical Healthcare Subcommittee of the Social Security Council, Ministry of Health, Labour and Welfare

Concerning the selective care system, the government will raise the patient copayment for long-listed drugs from one fourth to one-half of the price difference between generics and long-listed drugs starting in June 2026.

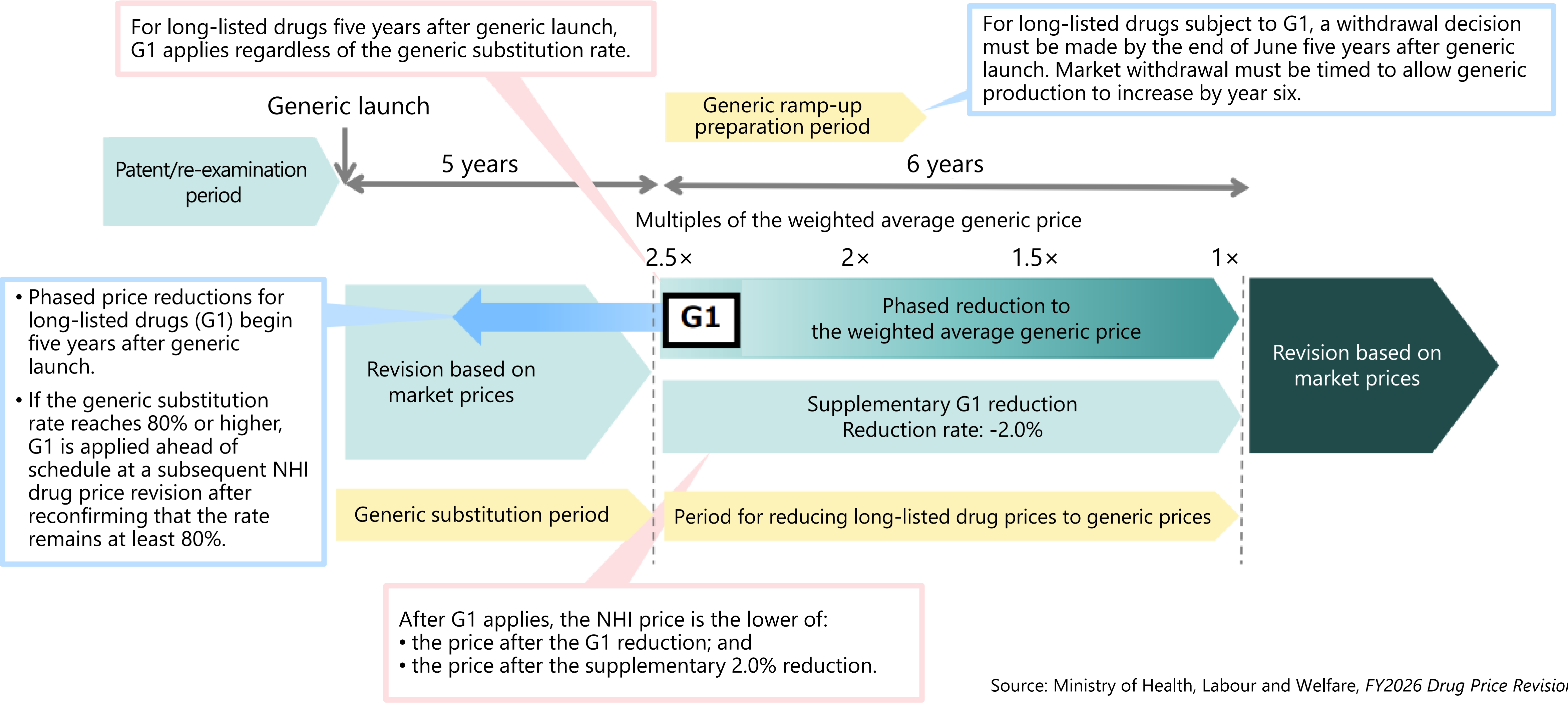


Source: Ministry of Health, Labour and Welfare, About selection recuperation of a Departs First medical product with a late starting medical product (long listing items).

IV-2. Trends of Generic Pharmaceutical Industry (2)

Overview of measures to optimize prices for long-listed drugs

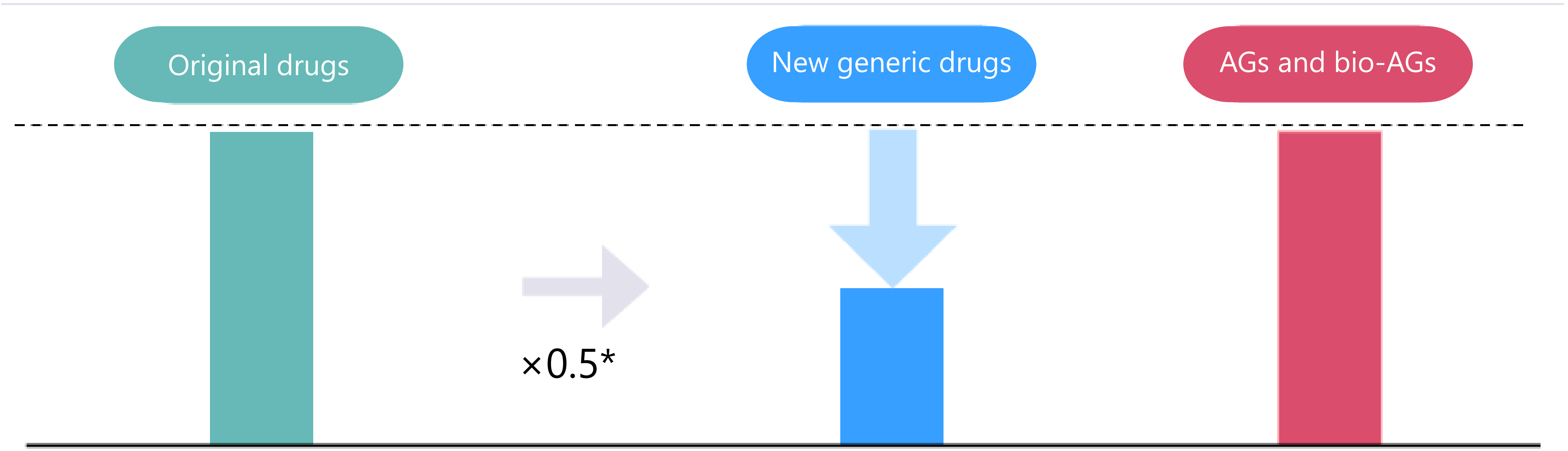
To make drug prices more reasonable



Source: Ministry of Health, Labour and Welfare, *FY2026 Drug Price Revision (7)*

IV-3. Treatment of Authorized Generics (AGs) upon Initial Listing (1)

To establish and maintain an appropriate competitive environment for follow-on biologics (so-called biosimilars) and generic drugs, the initial NHI prices of AGs and bio-AGs listed in or after October 2026 will be calculated at the same level as those of their original drugs.



* 0.4× for oral drugs with more than seven products (excluding biosimilars)

Source: Ministry of Health, Labour and Welfare, *FY2026 Drug Pricing System Reform*

IV-3. Treatment of Authorized Generics (AGs) upon Initial Listing (2)

- When an AG is listed, it tends to gain a larger share than generics, regardless of its listing timing.

Figure: Volume Share When AG Is Listed Before Generics (Antihypertensive Drugs)

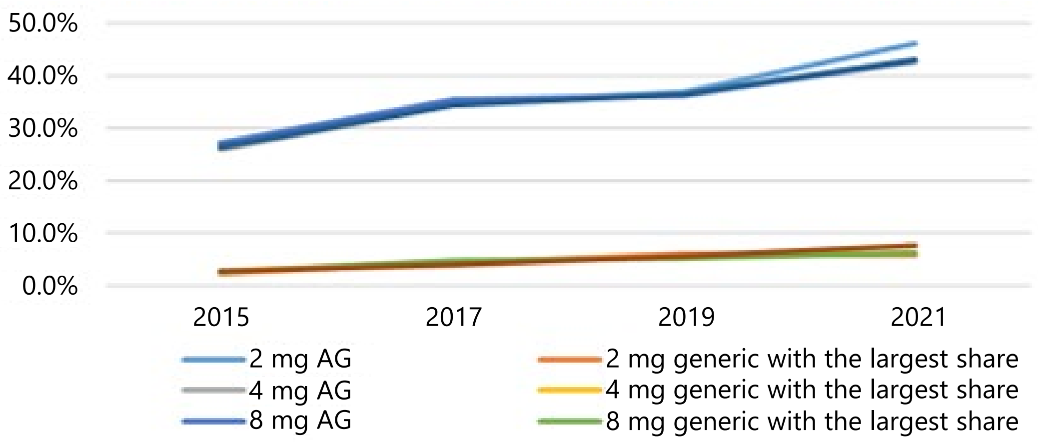


Figure: Volume Share When AG and Generics Are Listed Simultaneously (Antihypertensive Drugs)

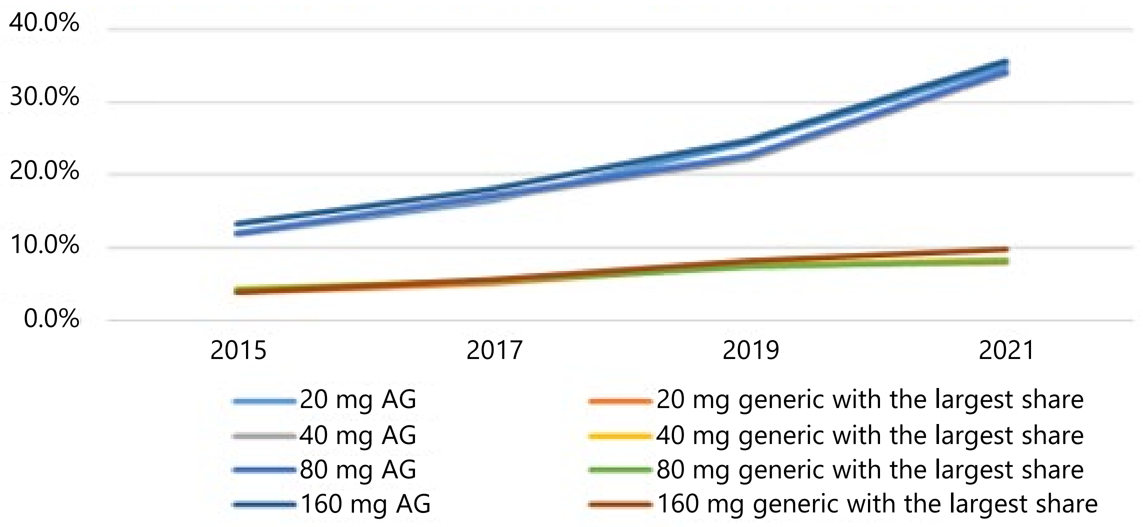
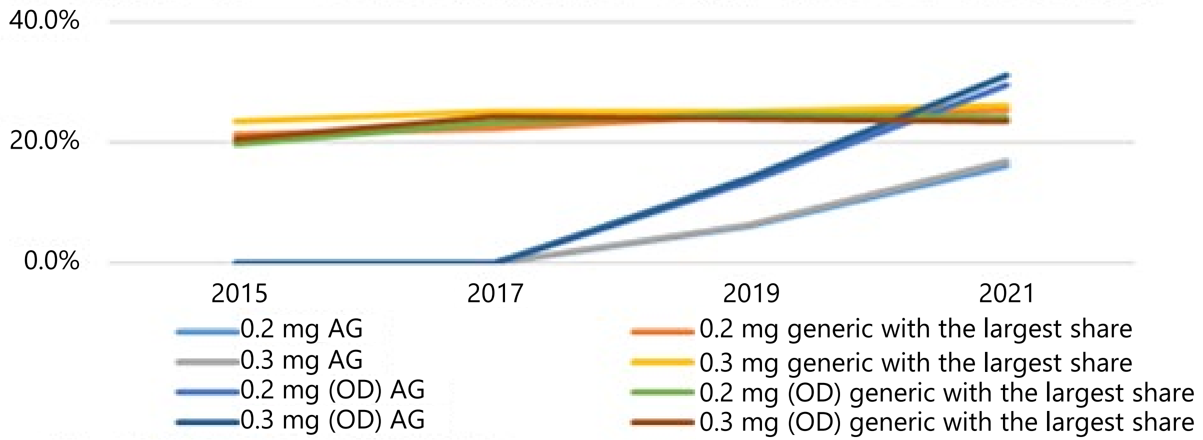


Figure: Volume Share When AG Is Listed After Generics (Antidiabetic Drugs)



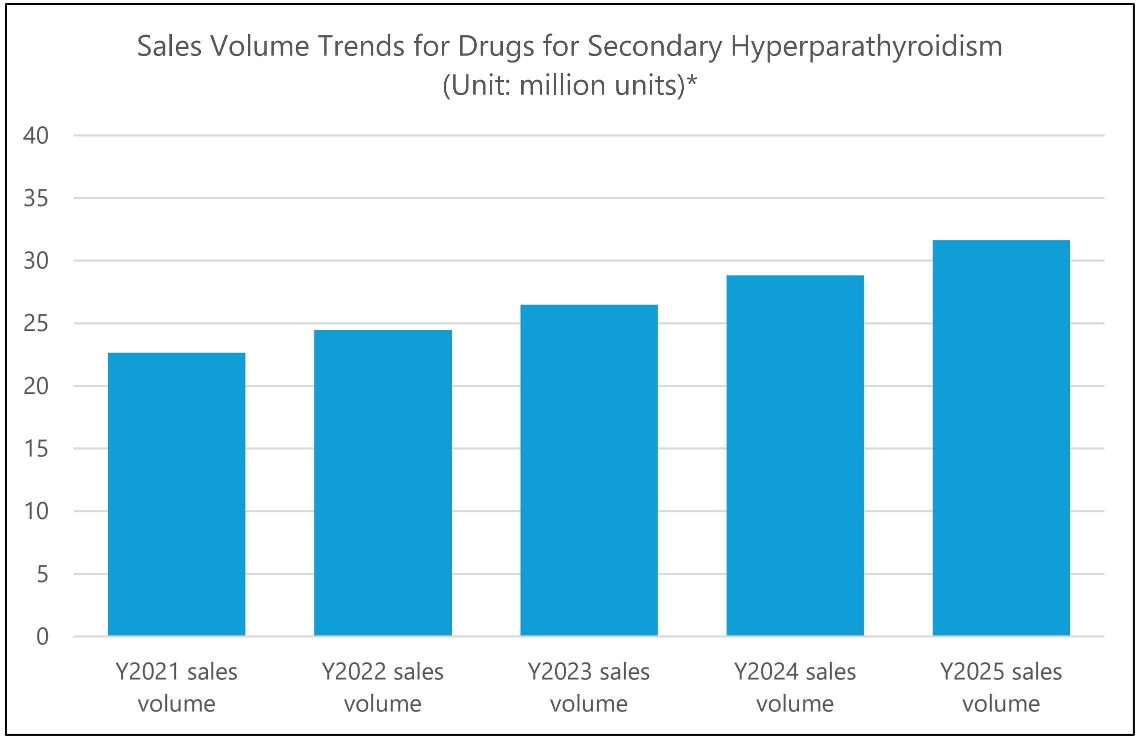
Source: Survey by the Policy Planning Division for Pharmaceutical Industry Promotion and Medical Information Management

Once listed, AGs tend to capture a larger market share than generics, regardless of their listing timing. Concerns have been raised that original drug companies remain dependent on long-listed drugs in a different form, such as by receiving licensing fees from AG marketing authorization holders. This led to the current revision.

Source: Ministry of Health, Labour and Welfare, *FY2026 Drug Pricing System Reform*

IV-4. Market Size: Trends in Therapeutic Drugs and Dialysis Patient Deaths by Cause

Market developments in the dialysis field, which is the target market for the main products in the manufacture and sales of pharmaceuticals



*Based on the Company's research. Data cover major drugs for secondary hyperparathyroidism (injections).

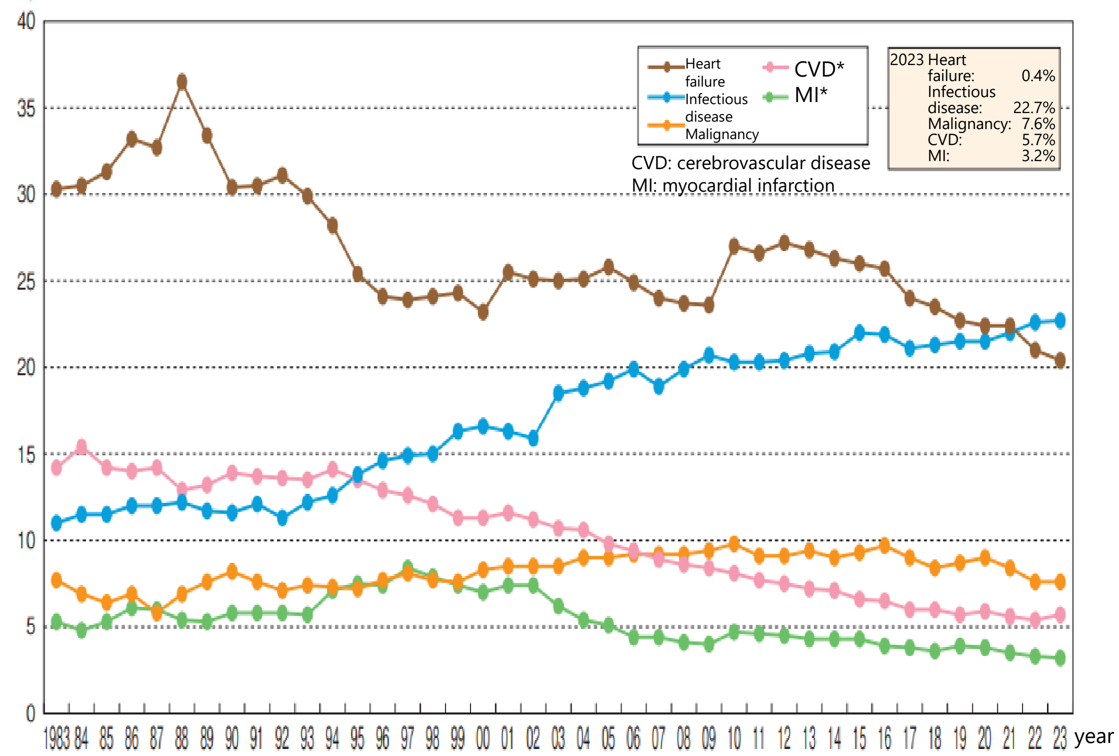


Fig. 12 Trends in major causes of death among prevalent dialysis patients, 1983 to 2023 (Tabulated based on patient survey)

The facility survey shows that the total number of patients undergoing chronic dialysis therapy was 343,508 as of the end of 2023.

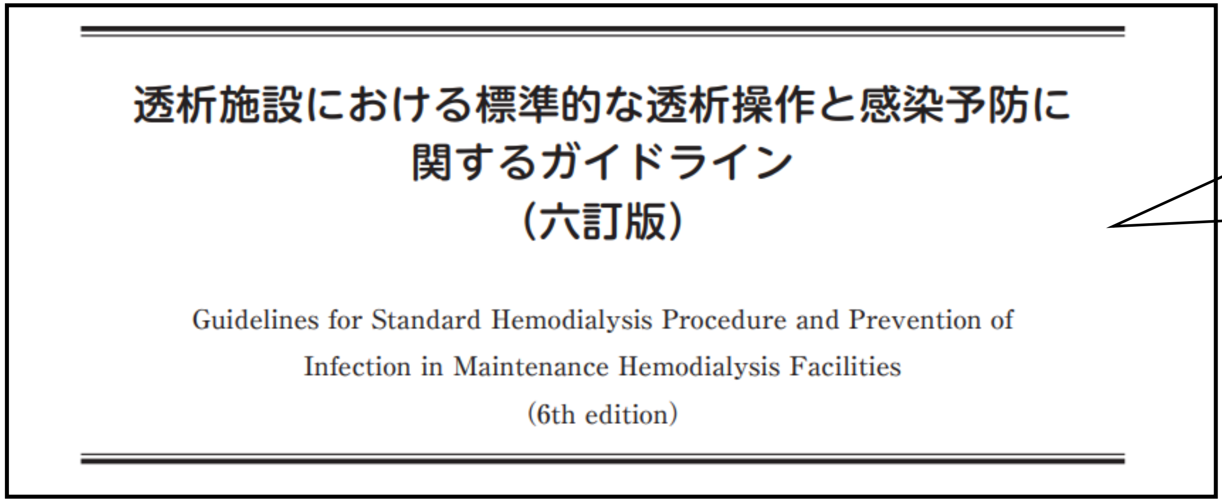
The leading causes of death among dialysis patients, in descending order, are **infectious diseases**, heart failure, malignant tumors, cachexia/uremia/senility, and cerebrovascular disorders. **Prevention of infectious diseases in dialysis facilities is an important issue.**

* Excerpts from The Japanese Society for Dialysis Therapy (JSDT), *2023 Annual Dialysis Data Report, JSDT Renal Data Registry*

Ⅲ -4. Prevention of Infectious Diseases and Pre-filled Syringe

KOA

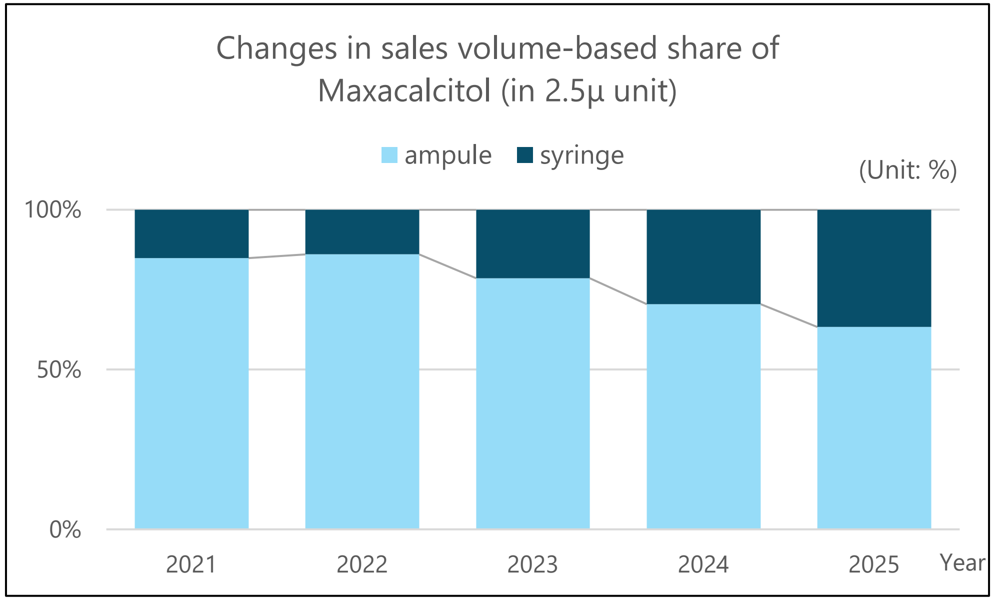
Using pre-filled syringe formulations is recommended as a preventive measure against infection.


透析施設における標準的な透析操作と感染予防に
関するガイドライン
（六訂版）

Guidelines for Standard Hemodialysis Procedure and Prevention of
Infection in Maintenance Hemodialysis Facilities
(6th edition)

It is recommended to select pre-filled syringe formulations that are commercially available whenever possible (Level 1 A).

Guidelines for Standard Hemodialysis Procedure and Prevention of Infection in Maintenance Hemodialysis Facilities (6th edition) is issued by the Japanese Association for Dialysis Physicians as a manual for preventing nosocomial infections in dialysis facilities.
As an infection control measure, the guideline recommends to select pre-filled syringe formulations that are commercially available whenever possible (Level 1 A). The **pre-filled syringes are increasingly in demand for their effectiveness in preventing infection.**
Although its market share is gradually increasing, we have determined that **production capacity** must be strengthened to expand it further and have **decided to construct Zao Factory 2**.



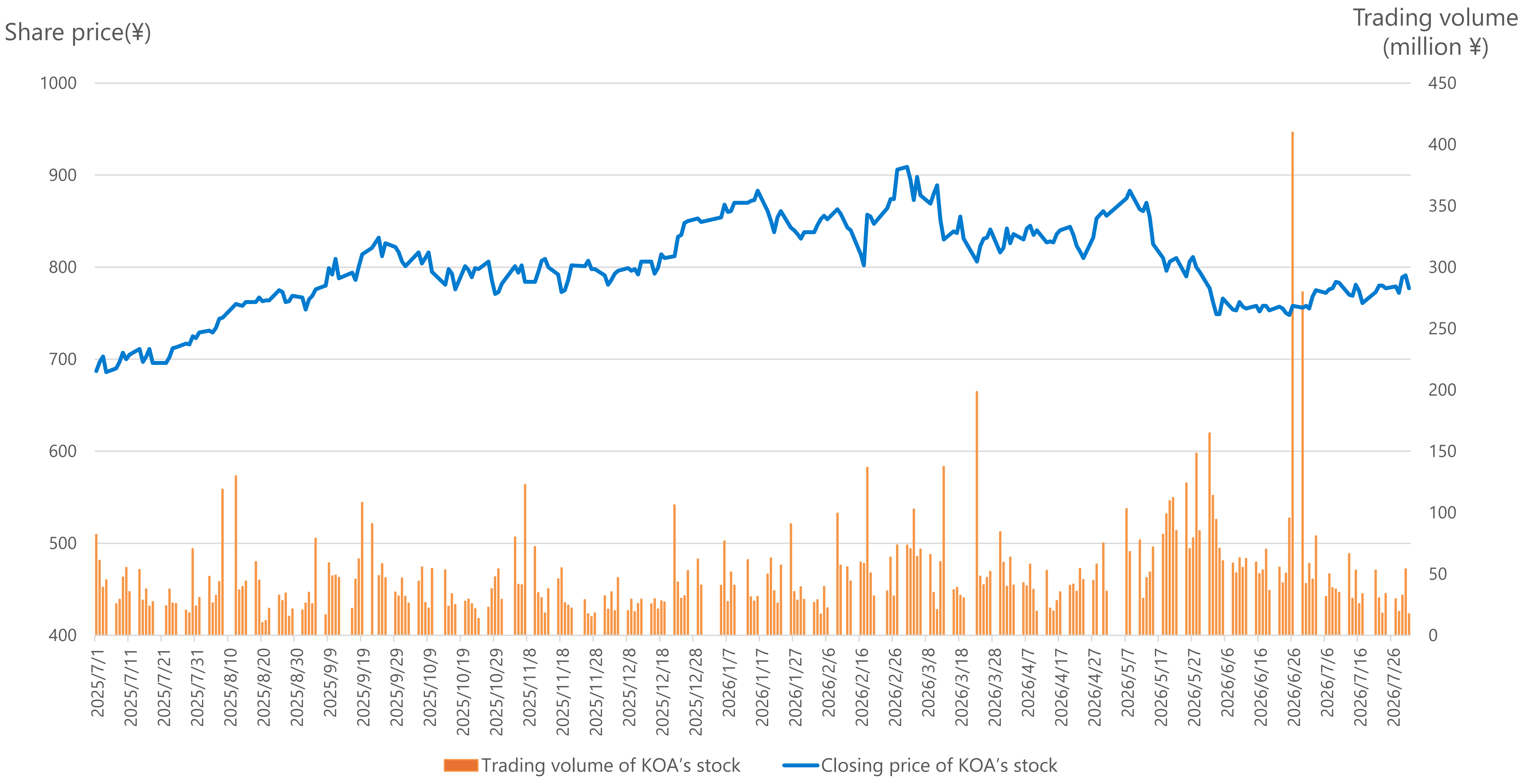
* Excerpt from Association of Dialysis Physicians, *Guidelines for Standard Hemodialysis Procedure and Prevention of Infection in Maintenance Hemodialysis Facilities (6th edition)*

[Appendix]

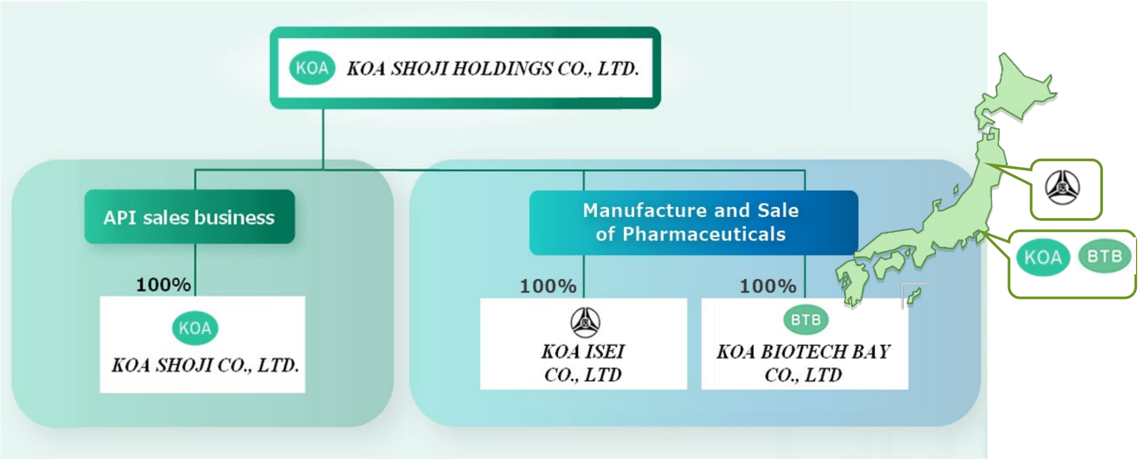
・ Stock Performance
・ Corporate Profile
・ Vision, Corporate Policy, Corporate Slogan, etc.
・ History
・ Metrics
・ Return to Shareholders: Shareholder Benefits
・ About Pharmaceuticals
・ Illustrative Image of KOA's Position
・ Value of Generics, and APIs
・ Business Model
・KOA ISEI Marks Its 70th Anniversary: Logomark
・ Sustainability Activities

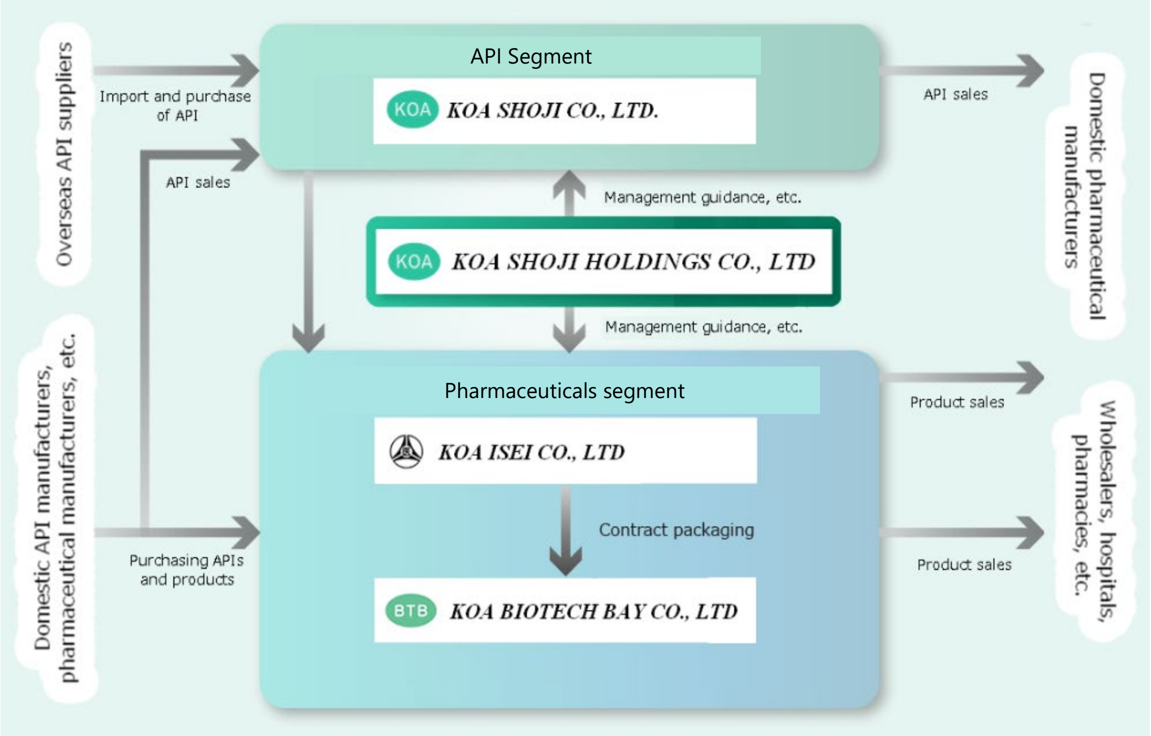
KOA SHOJI HOLDINGS

Stock Performance (Price/Trading Volume of KOA's Stock)



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	318 [Ratio of female employees: 45.9%]	
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 *1	Haji Co.	42.33%
	Shuto Scholarship Foundation	10.92%
	Toshiyuki Shuto	5.01%
	The Master Trust Bank of Japan, Ltd. (Trust Account)	3.22%
Governance *1	Directors: 10 [6 Internal and 4 Outside] Audit and Supervisory Committee Members: 4 [4 Outside]	

*1 As of June 30, 2026

Sales split for FYE6/2026

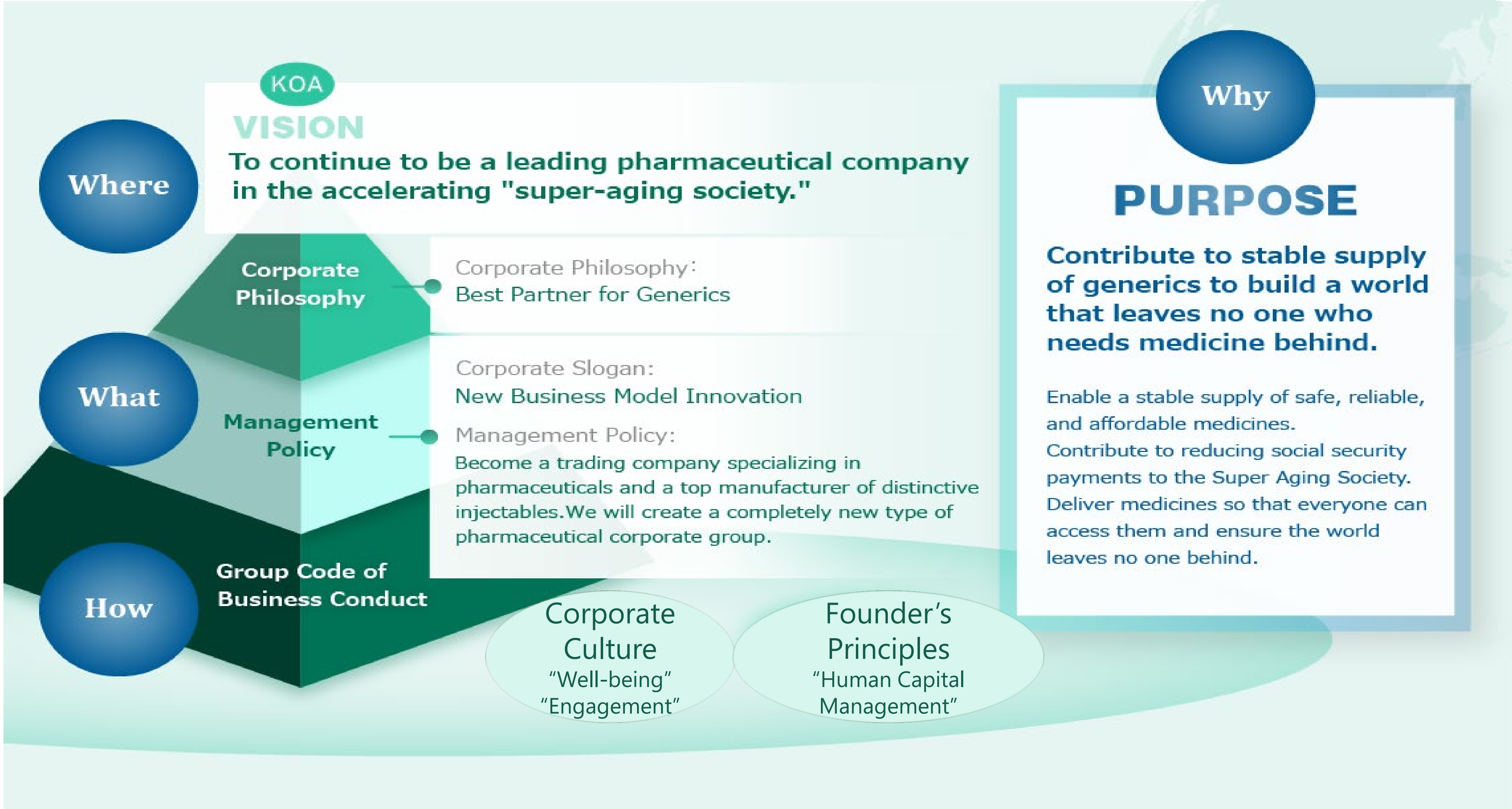
63.7%

API

36.3%

Manufacture and Sales of Pharmaceuticals

Vision, Corporate Policy, Corporate Slogan, etc.



History

We have innovated ourselves to remain a leader in the pharmaceutical industry supporting the accelerating super-aging society.

2026 KOA ISEI's Zao Factory 2 was completed.

2022 KOA SHOJI HOLDINGS CO., LTD. was listed on the Prime Market of TSE.

2020 KOA SHOJI HOLDINGS CO., LTD. was listed on the 1st Section of TSE.

2018 KOA SHOJI HOLDINGS CO., LTD. was listed on the 2nd Section of TSE.

2016 KOA ISEI's Zao Factory was completed.

2015 KOA SHOJI HOLDINGS CO., LTD. was incorporated.

2011 In expectation of growth of the highly pharmacologically active generic injectable drug market, KOA SHOJI **entered into a capital alliance with ISEI CO., INC. (current KOA ISEI CO., LTD.)**, a company with 60 years of experience in injectable drugs and 40 years of experience in freeze-drying technology.

1991 The founder (current CEO) **established KOA SHOJI CO., LTD.**, leveraging his connections and experience, as he was engaged in the business of active pharmaceutical ingredients for generics at an Italian trading company, and thus, saw significant growth potential and untapped opportunities in the Japanese generics market.

Metrics

	FYE6/2025	FYE6/2026	FYE6/2027 Forecast
Total assets	¥36.1 bn	¥39.5 bn	–
Net assets	¥28.1 bn	¥31.1 bn	–
Equity ratio	77.9%	78.9%	–
ROE	13.7%	12.6%	–
Cash dividends	¥16.0	¥18.0	¥19.0
Dividend payout ratio	18.5%	20.2%	22.3%
Dividend on Equity Ratio (DOE)	2.5%	2.6%	–
PBR (as of year end)	1.04x	1.02x	–

Return to Shareholders: Shareholder Benefits

Providing Shareholder Benefits in addition to year-end dividends (P10)

Record date for dividend payment	Number of shares held	Details of Shareholder Benefits
End of June	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.

About Pharmaceuticals

KOA

<Types of Ethical Drugs>

Pharma-ceuticals

Ethical drugs

Drugs prescribed by physicians

New drugs (original drugs)

Drugs that are distinguished clearly from existing drugs in terms of active ingredients, efficacy, and effects, which manufacturers are allowed to **exclusively manufacture and sell** during a patent term of 20 to 25 years.

2 to 3 years	3 to 5 years	3 to 7 years	1 year	Launch
Drug discovery Screening	Non-clinical trial <Pharmacology>	Clinical trial <Phase I to III>	Approval review	

← Development costs
Tens of billions of yen →

Patent application → Patent expiration

Generics (copy drugs)

Drugs that are **therapeutically equivalent** to original drugs and can be **sold after the patent terms of original drugs expire**. They are **less expensive** than original drugs as their development costs are lower.

3 to 5 years	1 year	Release
Development	Approval review	

← Development costs
Approx ¥100 million →

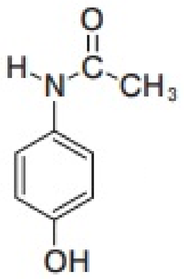
Over The Counter (OTC) drugs*

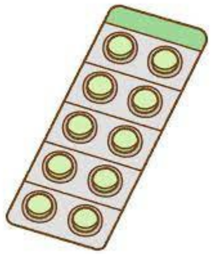
Drugs that can be purchased at drugstores and others without a prescription

Illustrative Image of KOA's Position

<Distribution route for ethical drugs>

API manufacturer Pharmaceutical excipients manufacturer ▶ Pharmaceutical manufacturer ▶ Pharmaceutical wholesaler / sales company ▶ Medical institution / dispensing pharmacy ▶ Patients





KOA

Value of Generics, and APIs

Value of generics

Generics are drugs that are scientifically proven to have an equivalent efficacy to original drugs. They are **improved** in the taste, flavor, ease of use, etc. with a new technology, to make them easier for patients to take.

What are APIs = Active Pharmaceutical Ingredients

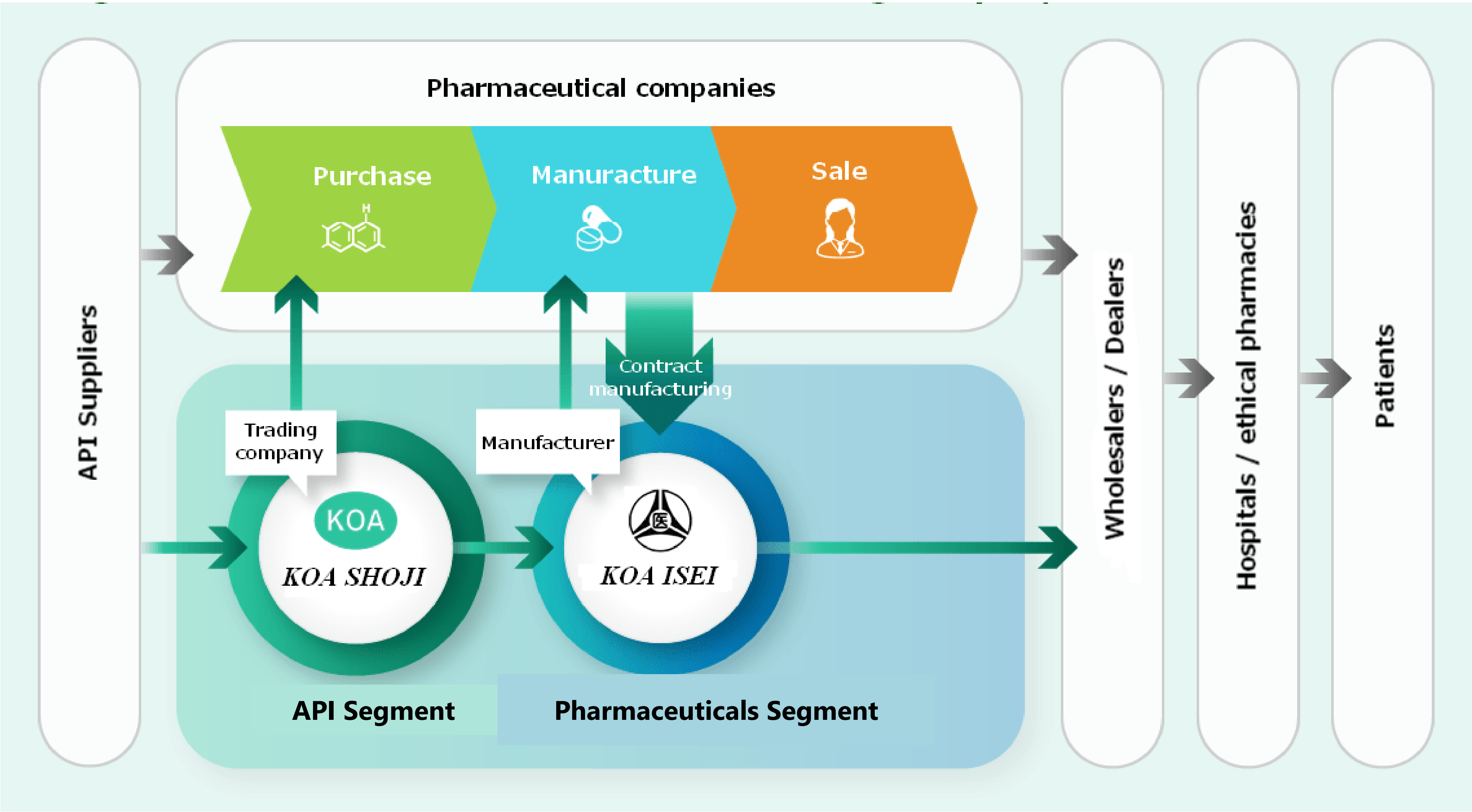
Ingredients contained in drugs or quasi-drugs that show intended efficacy

Pharma-ceuticals

CALONAL	**Active ingredients**	**Acetaminophen** ← **APIs**
	Pharmaceutical excipients	Lactose hydrate, crystalline cellulose, partly pregelatinized starch, hydrolyzed polyvinyl alcohol, magnesium stearate, aroma chemicals

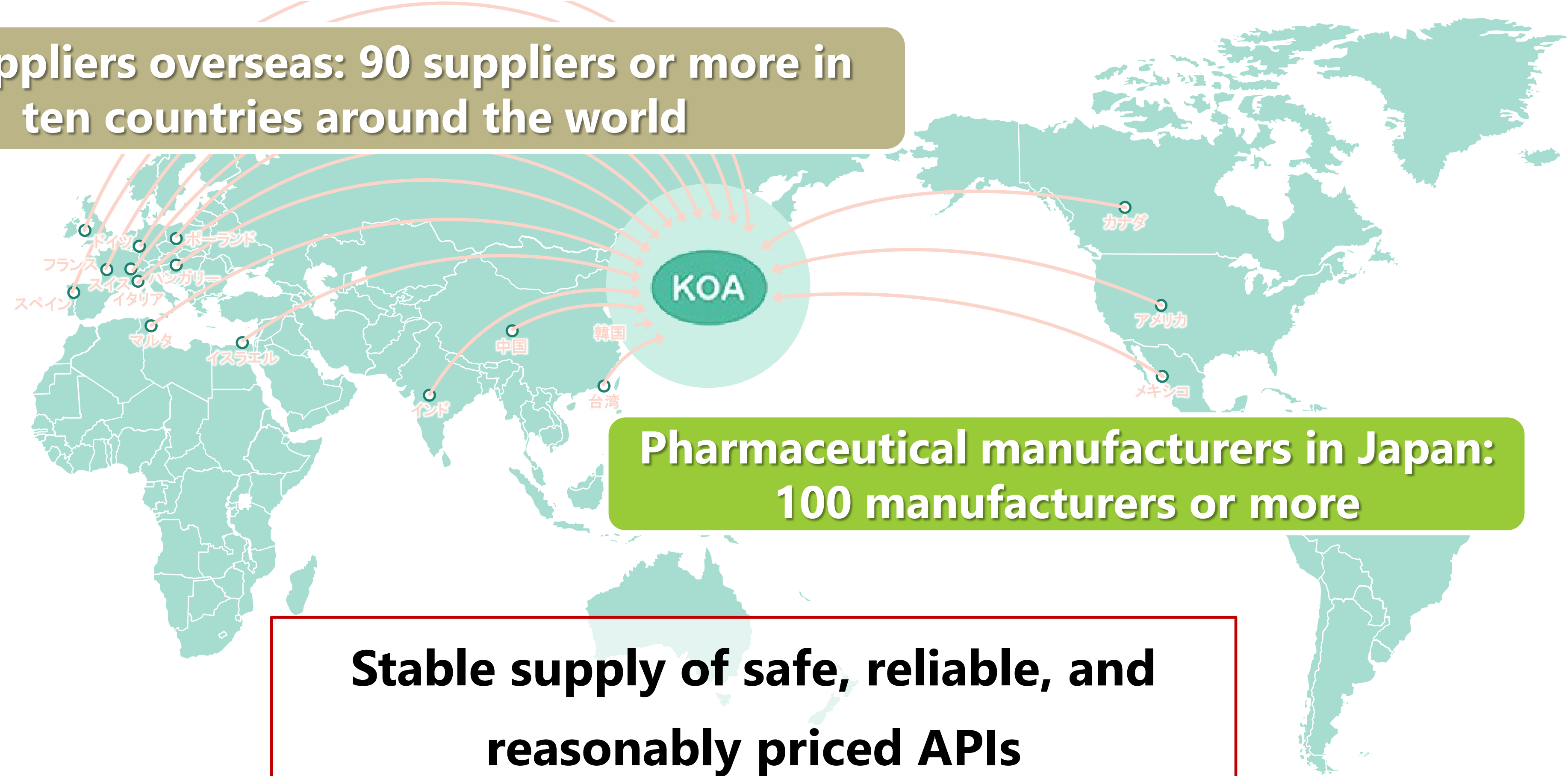
Business Model

Original Business Model Combining a Trading Company and a Manufacturer



Competitive Advantages in API Segment (1)

As an API-specialized trader, we boast a top-class transaction base and the number of products handled in Japan.



API suppliers overseas: 90 suppliers or more in ten countries around the world

Pharmaceutical manufacturers in Japan: 100 manufacturers or more

Stable supply of safe, reliable, and reasonably priced APIs

Competitive Advantages in API Segment (2)

Robust supporting structure consisted of elite salesforce x specialists

Overseas API suppliers

KOA

18 persons — Sales Department

67 persons:

- Development Department
- Quality Assurance Department
- Pharmaceutical Analysis Center
- Business Management Department (including logistics and warehouse management)

Domestic pharmaceutical manufacturers

*As of June 30, 2025

Competitive Advantages in API Segment (3)

A group of experts capable of proposing safe and reliable APIs from the development stage

Overseas API suppliers

KOA

Japan Quality realized through the provision of information on Japanese markets

Development Department

Proposals looking ahead a few years, and tailored development support

Domestic pharmaceutical manufacturers

- Proposals on manufacturing techniques that bypass patents
- Provision of projections about Japanese markets
- Instructions on how to build a management structure that meets the audit standards of Japanese regulatory authorities
- Proposals on techniques to improve the quality of /new purification methods for APIs to meet domestic regulatory requirements
- Proposals on manufacturing techniques that allow for synthesis at low cost

Patent research

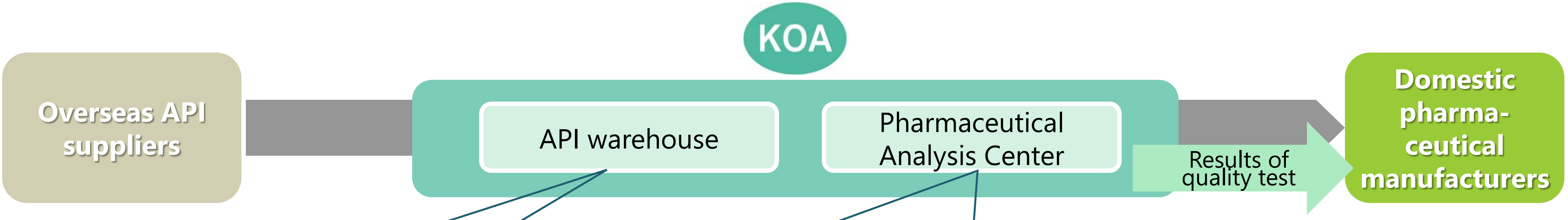
Marketing

Development audit

SI Center

- Providing patent opinion
- Making proposals catered to customer needs, taking into account marketability and existing product line-ups
- Offering referrals to reliable API manufacturing plants
- Providing the APIs with characteristics that match formulations
- Providing technological information that is helpful in developing formulations

Competitive Advantages in API Segment (4)



Stable supply built on three warehouses located in eastern and western Japan

Rigorous quality management using advanced equipment

Trading companies generally outsource or omit quality tests. KOA, however, conducts quality tests on its own to **reduce costs, shorten time to delivery, and improve reliability**.

In addition, we are committed to **reducing the burden of development operations of customers**, by assuming a range of responsibilities, from the establishment of the method of quality test/standards to the responses to regulatory authorities.

ICP-MS

SEM-EDX

XRD

Competitive Advantages in Manufacture and Sales of Pharmaceuticals (1)

Many years of experience in manufacturing injectable drugs and expertise in freeze-drying technology, covering oral medicine and three formulations for injectable drugs (vial, ampule, and syringe)

API suppliers

KOA ISEI

HQ Factory

- Oral medicine
- Injectable drug ampule line
- Injectable drug vial line

(Liquid formulation/freeze-dry line)

Zao Factory

- Injectable drug syringe line
- Injectable drug vial line

(Liquid formulation/freeze-dry line)

Tablet

Vial

Ampule

Syringe
(pre-filled syringe)

Domestic pharmaceutical manufacturers

*Freeze-dry formulation: Necessary ingredients freeze-dried into powder form, which is chemically stable and can be stored for a long time. The formulation, however, needs to be dissolved each time they are used.

Competitive Advantages in Manufacture and Sales of Pharmaceuticals (2)

Tablet
A solid dosage form
Lanthanum Carbonate OD Tablet, one of our mainstay products, is a tablet drug.

Vial
A small bottle that is filled with drug solution and then capped with a rubber lid
The solution can be extracted through the rubber lid using a syringe needle.

Ampule
A small container that is filled with drug solution and then sealed by melting its thin top

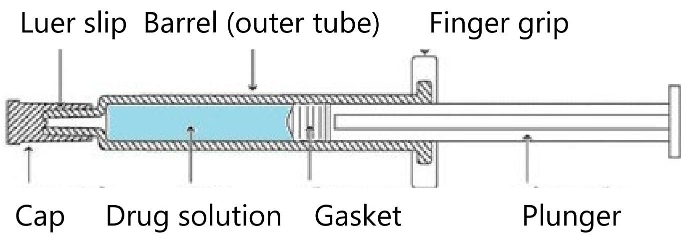
Syringe (Pre-filled Syringe)
A syringe pre-filled with drug solution

Competitive Advantages of Our Products

Lanthanum Carbonate OD Tablet is a pharmaceutical product used to improve hyperphosphatemia in patients with chronic kidney disease. **The OD tablet that can be taken without water**, and thus, is useful for dialysis patients whose water intake is restricted.

Maxacalcitol Injectable Solution is a pharmaceutical product that suppresses the synthesis and secretion of parathyroid hormone and lowers the concentration of parathyroid hormone within the blood, generally used for the treatment of secondary hyperparathyroidism in dialysis patients.

Several companies, including the company which has released an original product, have released equivalent products. **The difference is that our product in the syringe formulation,** while **all other companies' products are in the ampule formation.** Pre-filled syringe formations are useful in preventing infections, ensuring the safety of medical professionals, and improving the operational efficiency.



KOA ISEI Marks Its 70th Anniversary: Logomark

70th Anniversary Logomark

We created a logomark to symbolize our 70th anniversary by combining the rising sun over Mount Zao with the number “70” to form the letters “ZAO.”

This design embodies our determination and aspirations for the future as we take on new challenges with strength and resilience, like the towering Mount Zao.

Sustainability Activities

We announced *ESG Data 2025*, while primarily the Sustainability Committee has driven initiatives relating to the environment, society, and governance.
(https://www.koashoji-hd.com/upfile/esg_data.pdf)

環境 Environment

CO₂排出量

- SCOPE 1: 1,578 t-CO_2
- SCOPE 2: 2,959 t-CO_2
- SCOPE 3: 82,868 t-CO_2

電気使用量

7,078 千kwh

※1 CO2排出量計算に当たって、スコープ1・2は「地球温暖化対策の推進に関する法律」に基づき公表されているエネルギー別排出係数および電気事業者別排出係数（調整後排出係数）を、スコープ3は「サプライチェーンを通じた組織の温室効果ガス排出等の算定のための排出原単位データベース（Ver.3.3および3.5）」を利用。
※2 スコープ3は、全15項目のうち、カテゴリ1（購入した製品・サービス）、カテゴリ4（輸送、配送（上流））を対象として集計。

その他エネルギー	量
液化石油ガス（LPG）	320 t
A重油	132 kl
都市ガス	56 千㎥
ガソリン	15 kl
灯 油	4.4 kl
軽 油	0.9 kl

1

社会 Social

	全体	男性	女性
従業員数	304 人	164 人 (53.9 %)	140 人 (46.1 %)
平均年齢	45.74 歳	47.77 歳	43.38 歳
平均勤続年数	8.29 年	8.75 年	7.73 年
管理職数	68 人	53 人 (77.9 %)	15 人 (22.1 %)

セグメント別 従業員数		
ホールディングス	原薬販売事業	医薬品製造販売事業
21 人	75 人	208 人

薬剤師資格保有者数	平均非正規雇用人数	採用数	離職率	労働災害度数率	健康診断受診率	定年再雇用率
20 人	125 人	52 人	9.0 %	0.0 %	99.6 %	100 %

有給休暇取得率	育児休業復職率	育児休業 取得率 男性	育児休業 取得率 女性	育児休業 取得率 全体	介護休業利用者数	平均時間外労働時間	従業員教育研修者費用
75.8 %	100 %	0 %	100 %	80 %	0 人	10.5 時間	719 万円

2

ガバナンス Governance

	全体	男性	女性
取締役員数	11 人	8 人 (72.7 %)	3 人 (27.3 %)

	取締役	監査員等委員	指名・報酬諮問委員
社外取締役（比率）	4 人 (36.4 %)	4 人 (80.0 %)	3 人 (60.0 %)
取締役総数	11 人	5 人	5 人

招集通知発送から総会開催までの日数: 21 日

内部通報（相談含む）・内部告発件数: 4 件

取締役会

開催回数	決議事項数	報告事項数
14 回	37 件	31 件

社外取締役 出席回数・率

矢野 千秋	平尾 禎孝	木下 洋	林 恭子
12 回 86 %	14 10		

監査等委員会

開催回数
14 回

社外取締役 出席回数・率

矢野 千秋 平尾 禎孝 木下 洋 林 恭子

報酬総額・

ESG Data2026
to be updated
in Sept. 2026

Disclaimer

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)