

Consolidated Financial Result Digest FY2025/3 3Q

(Fiscal Year Ended March 31, 2025)

Feb. 5, 2025



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Our Business Segments

Electronics

Developing, manufacturing, purchasing and selling chemicals that used in printed circuit boards (PCB) and other electronic components



Medical and Pharmaceuticals

Manufacturing and marketing ethical pharmaceuticals, contract development and manufacturing organization (CDMO), manufacturing and selling dental prosthetics



ICT and Sustainability

Businesses included ICT, fine chemicals, energy, and food, etc.



FY2025/3 3Q Overview

Electronics

- Net sales increased by 18% year on year on a cumulative basis and decreased by 5% quarter on quarter
 - <Reasons related to cumulative YoY>
 - The depreciation of the yen had a positive impact on our performance
Average exchange rate as of the third quarter: <2025/3> 152.9 JPY/USD <2024/3> 142.8 JPY/USD
 - Rigid products: Sales volume increased for automotive, smartphone and display (white dry film) products
 - PKG products: Sales volume increased compared to the same period of the previous year when sales in the first half of the year were sluggish
 - <Reasons related to QoQ>
 - PKG products: Sales volume decreased, particularly for memory products
 - Rigid products: Sales volume decreased for display (white dry film) and smartphone products

Medical and Pharmaceuticals

- Net sales increased by 11% year on year on a cumulative basis and by 39% quarter on quarter
 - <Reasons related to cumulative YoY>
 - Ricc Co., Ltd. has been converted into our consolidated subsidiary
 - In the contract manufacturing business, contract volume increased due to an increase in demand from manufacturing customers
 - In the manufacturing and marketing business, there was an increase in demand for drugs with the same indications, which were in short supply from other companies, as well as for cough suppressants and expectorants
 - The approval for manufacturing and marketing of "REMINYL[®]," therapeutic agent for Alzheimer's disease, has been transferred to Taiyo Pharma
 - <Reasons related to QoQ>
 - Changes in the product mix in the contract manufacturing business contributed to the QoQ increase

Company

- Revised the earnings forecasts for the fiscal year ended March 31, 2025 (FY 2025)
- Sponsored an esports competition "Street Fighter League: Pro-JP 2024"
- Renewed our sponsorship agreement with professional skateboarder Yuro Nagahara

Consolidated Financial Results Summary

	①	②	②-①	(②-①)/①	③	②/③
Unit : JPY Million	2024/3 3Q Cumulative Result	2025/3 3Q Cumulative Result	YoY	% of Changes	2025/3 Full Year Forecast (Announced on Nov. 6)	% of Progress
Net Sales	78,040	90,682	12,642	16%	117,700	77%
Operating Income	14,256	18,020	3,763	26%	21,700	83%
Ordinary Income	13,771	17,746	3,974	29%	21,100	84%
Net Income	10,196	12,965	2,768	27%	14,500	89%
Exchange rate of JPY/USD	142.8	152.9	10.1		*	
EBITDA	20,871	24,969	4,098	20%	31,200	80%
Operating Income Margin	18%	20%			18%	
EBITDA Margin	27%	28%			27%	

* 1st half actual results : 152.3 JPY/USD

2nd half forecast (announced at the beginning of 2025/3) : 145.0 JPY/USD

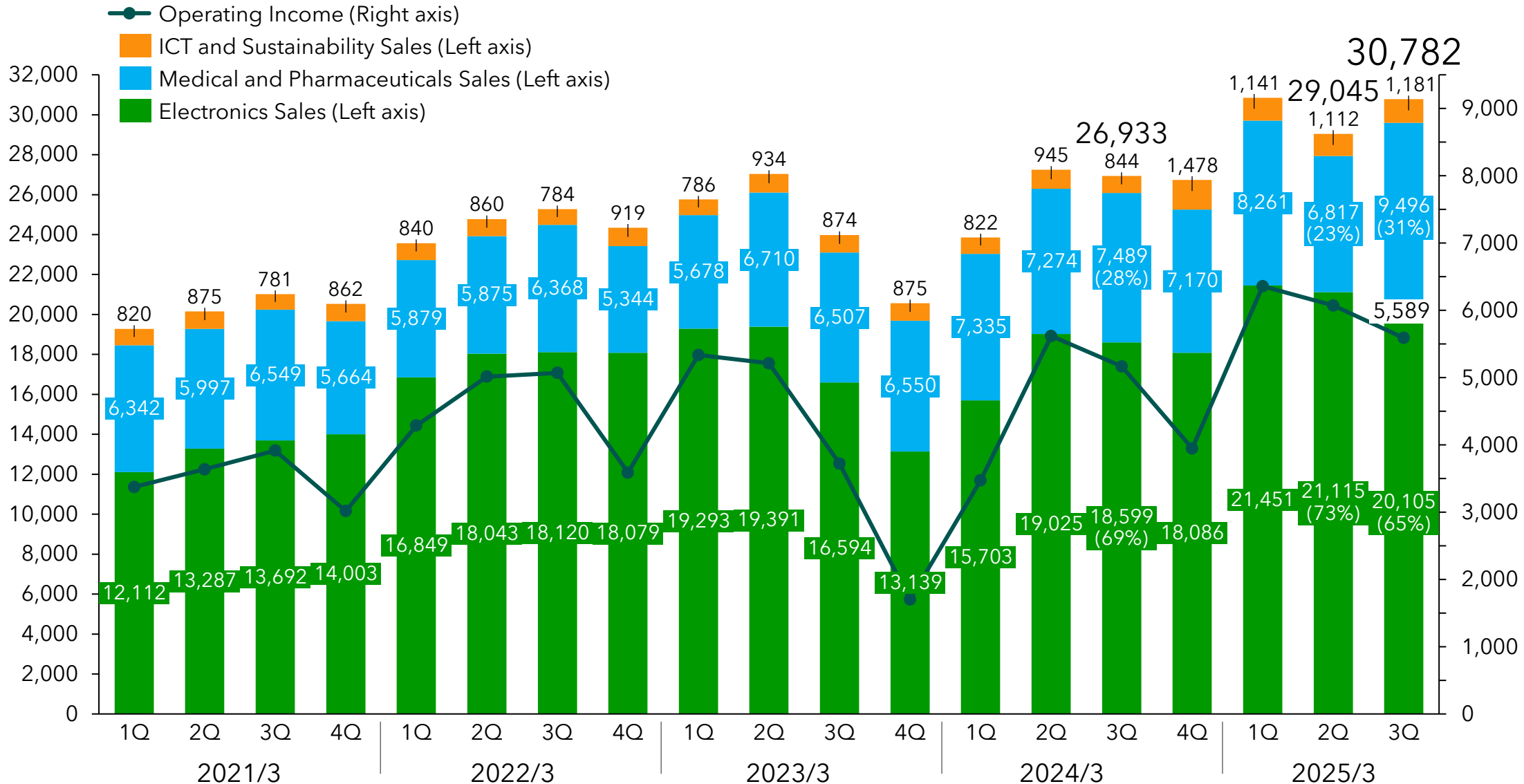
Performance by Segment

Cumulative Net Sales, Operating Income and EBITDA

		①	②	②-①	(②-①)/①	③	②/③
Unit : JPY Million		2024/3 3Q Cumulative Result	2025/3 3Q Cumulative Result	YoY	% of Changes	2025/3 Full Year Forecast (Announced on Nov. 6)	% of Progress
Electronics	Net Sales	53,329	62,672	9,342	18%	80,300	78%
	Operating Income	12,359	16,981	4,622	37%	20,800	82%
	Operating Income Margin	23%	27%			26%	
	EBITDA	14,378	19,684	5,306	37%	24,400	81%
	EBITDA Margin	27%	31%			30%	
Medical and Pharmaceuticals	Net Sales	22,098	24,575	2,476	11%	32,500	76%
	Operating Income	2,877	2,046	(831)	(29%)	2,200	93%
	Operating Income margin	13%	8%			7%	
	EBITDA	6,832	5,595	(1,237)	(18%)	7,300	77%
	EBITDA Margin	31%	23%			22%	
ICT and Sustainability	Net Sales	2,612	3,435	823	32%	-	-
	Operating Income	47	161	114	241%	-	-
	Operating Income Margin	2%	5%			-	-
Company Expense	Operating Income / Loss	(1,027)	(1,169)	(142)		-	-

Trend of Quarterly Performance Net Sales and Operating Income

Unit : JPY Million



BS- Comparison with the Previous Term

Unit : JPY Million

	2024/3	2024/12	Changes		2024/3	2024/12	Changes
Cash and Deposits	58,583	42,619	(15,964)	Notes and Account Payable	8,795	8,983	187
Accounts Receivables* ¹	28,352	30,885	2,533	Short Term Borrowings* ³	43,588	17,768	(25,819)
Inventory* ²	17,166	20,323	3,157	Long Term Borrowings	43,134	49,422	6,288
Others	5,552	3,227	(2,325)	Others	16,835	14,684	(2,150)
Total Current Assets	109,655	97,055	(12,599)	Total Liabilities	112,353	90,858	(21,494)
Tangible Fixed Assets	68,852	68,793	(58)	Shareholders Equity	89,925	96,437	6,512
Intangible Fixed Assets	25,804	23,736	(2,068)	Accumulated Other Comprehensive Income	10,469	11,514	1,045
Investments and Other Assets	8,439	9,230	790	Non-Controlling Interest	4	5	0
Total Fixed Assets	103,096	101,760	(1,336)	Total Net Assets	100,398	107,957	7,558
Total Assets	212,751	198,815	(13,936)	Total Liabilities and Net Assets	212,751	198,815	(13,936)
				Equity to Asset Ratio	47.2%	54.3%	7.1%

*1 Accounts Receivables :
Notes Receivable + Accounts Receivable-Trade + Contract Asset

*2 Inventories :
Merchandise and Finished Goods + Work in Process + Raw Materials and Supplies

*3 Short-Term Borrowings :
Short-Term Borrowings + Long-Term Borrowings Scheduled to Be Repaid within One Year

Revised Forecast for the Fiscal Year Ended March 31, 2025 (FY 2025)

- ✓ We revised the full-year forecast for FY 2025, as the Electronics' results for the FY 2025 are expected to exceed the earnings forecasts announced on November 6, 2024.
- ✓ The full-year forecast has been revised by replacing the Electronics' third-quarter forecast with the actual results and remaining the fourth-quarter forecast announced on November 6, 2024 unchanged.

Unit : JPY Million	2025/3 Full-Year Forecast (Announced on Nov. 6) *1		2025/3 Full-Year Forecast (Announced on Feb. 5) *2		Change Ratio	
	Amount	Profit Ratio	Amount	Profit Ratio	Amount	Ratio
	Consolidated	Net Sales	117,700	118,600		+900
Operating Income		21,700	22,300	19%	+600	+3%
Ordinary Income		21,100	21,700	18%	+600	+3%
Net Income		14,500	14,900	13%	+400	+3%
EBITDA		31,200	31,800	27%	+600	+2%
Electronics	Net Sales	80,300	81,200		+900	+1%
	Operating Income	20,800	21,400	26%	+600	+3%
	EBITDA	24,400	25,000	31%	+600	+2%
Medical and Pharmaceuticals	Net Sales	32,500	32,500		-	-
	Operating Income	2,200	2,200	7%	-	-
	EBITDA	7,300	7,300	22%	-	-

*1 1st half actual results : 152.3 JPY/USD 2nd half forecast (announced at the beginning of 2025/3) : 145.0 JPY/USD

*2 1Q to 3Q actual results : 152.9 JPY/USD 4Q forecast (announced at the beginning of 2025/3) : 145.0 JPY/USD

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Electronics

Electronics Terminology

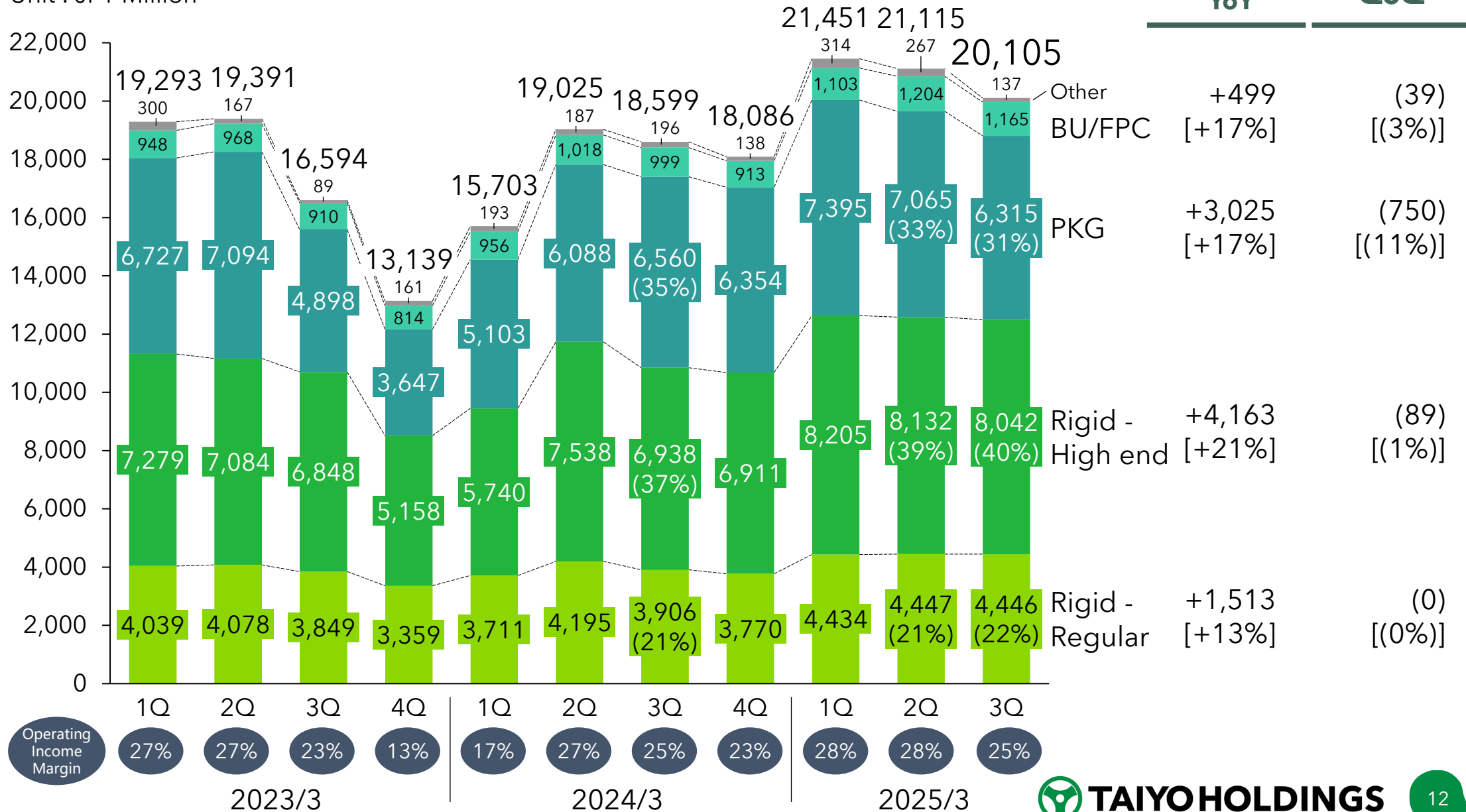
Term	Definition
PCB	<u>P</u> rinted <u>C</u> ircuit <u>B</u> oard
SR	<u>S</u> older <u>R</u> esist, also known as Solder Mask
PKG	Semiconductor <u>P</u> ack <u>a</u> ge
DF	<u>D</u> ry <u>F</u> ilm
BU	<u>B</u> uild- <u>u</u> p

Electronics Product Classification

Group	Category		Type	Remarks
PCB insulating materials	Rigid	Regular	Liquid	<ul style="list-style-type: none"> ▪ SR materials for insulation and surface protection use ▪ Marking, etching and plating materials ▪ Electronic materials etc.
		High end	Liquid/DF	
	PKG		Liquid/DF	
	FPC (Flexible printed circuit board)		Liquid/DF	
	BU		Liquid/DF	
Other related products	Others		Liquid/DF	<ul style="list-style-type: none"> ▪ Conductive paste etc.

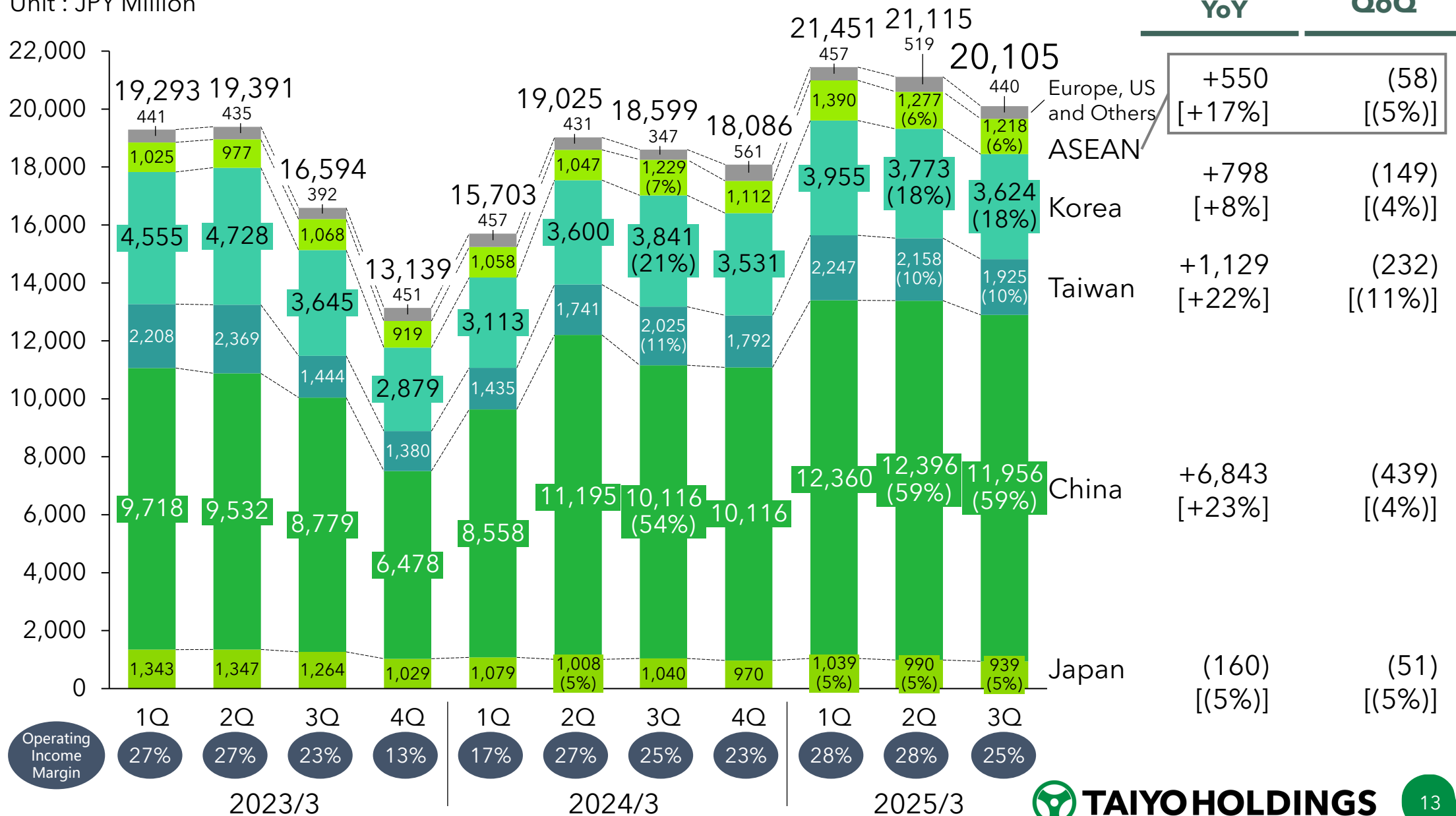
Electronics Net Sales by Product Category

Unit : JPY Million




Electronics Net Sales by Sales Area

Unit : JPY Million



Operating Income Margin



Medical and Pharmaceuticals

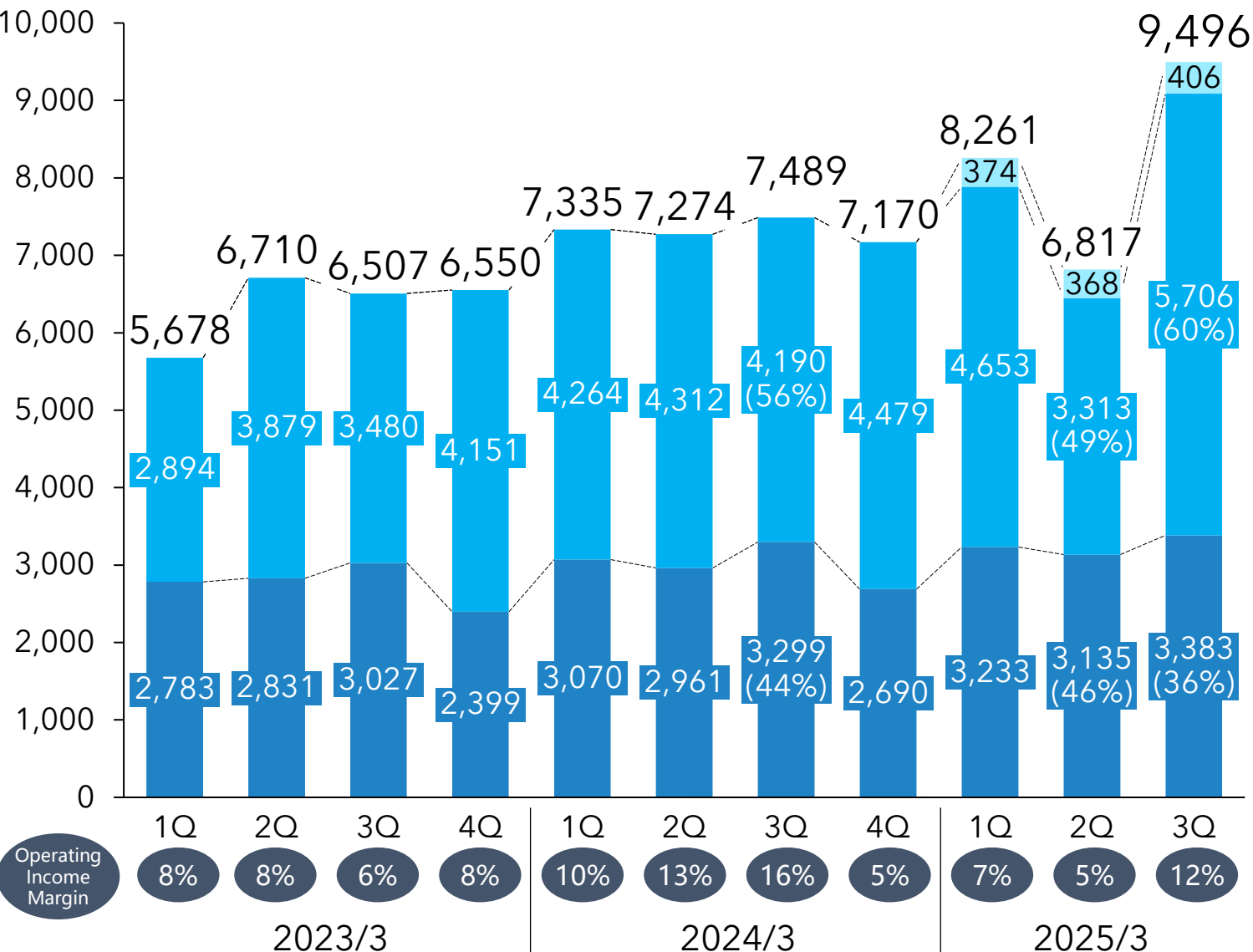
Medical and Pharmaceutical Terminology

Term	Definition
LLP	<u>L</u> ong <u>L</u> isted <u>P</u> roduct A drug for which the patent or re-examination period has expired, enabling the sale of generic drugs
CDMO	<u>C</u> ontract <u>D</u> evelopment <u>M</u> anufacturing <u>O</u> rganization Organizations contracted to manufacture and develop pharmaceutical formulations
GMP	<u>G</u> ood <u>M</u> anufacturing <u>P</u> ractice Standards for manufacturing control and quality of pharmaceuticals and quasi-drugs

Medical and Pharmaceuticals Net Sales by Company

Unit : JPY Million

3Q Cumulative
YoY **QoQ**



*Ricc Co., Ltd. has been converted into consolidated subsidiaries since the first quarter of FY2025

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Company

Sponsored an eSports Competition “Street Fighter League: Pro-JP 2024”

- ✓ We are continuing our sponsorship of “Street Fighter League: Pro-JP 2024,” an esports competition organized by CAPCOM CO., LTD., as its top partner from the previous season. This season will mark our fourth year of sponsoring it.



Competition	Date
Street Fighter League: Pro-JP 2024 Grand Final	February 11, 2025
Street Fighter League: World Championship 2024	March 9, 2025

“Street Fighter League: Pro-JP 2024” official website <https://sf.esports.capcom.com/sfl>

Renewed Our Sponsorship Agreement with Professional Skateboarder Yuro Nagahara

- ✓ We renewed our sponsorship agreement with Yuro Nagahara, a professional skateboarder who competes in men's park skateboarding, until December 31, 2025. We will continue to support him as he takes on the world.

Profile of Yuro Nagahara

[Date of Birth] June 10, 2005

[Hometown] Hakuba Village, Nagano Prefecture

[World Ranking] 16th (As of December 2024)

[Career Highlights]

	Competition	Result
2023	Skateboarding Japan OPEN	Winner (2nd time in a row)
	Asian Games (China)	Silver medal
	World Championships (Rome)	7th place (First time that advanced to the final)
2024	WST Dubai Park 2024 (UAE)	10th place
	X Games Ventura 2024 (US)	12th place
	Paris Olympics (France)	15th place
	Rockstar Energy Open (US)	Winner
	X Games Chiba 2024 (Japan)	8th place



