



NISSHIN SEIFUN GROUP

NEWS RELEASE

May 15, 2025

**Notice of Transfer of Healthcare Foods Business between
Consolidated Subsidiaries and Discontinuation of Operations
at a Consolidated Subsidiary (Nisshin Pharma)**

Nisshin Seifun Group Inc. (Director and President: Kenji Takihara; hereinafter the “Company”) is restructuring its business portfolio to enhance the growth of the Nisshin Seifun Group. The Company aims to achieve the targets set in the Nisshin Seifun Group’s Medium-Term Management Plan 2026 (hereinafter the “Medium-Term Management Plan”) and to ensure sustainable growth in the future beyond the period of the plan. The Company announces that during its restructuring process, consolidated subsidiary Nisshin Pharma Inc. (Director and President: Hidekuni Tanaka; hereinafter “Nisshin Pharma”) will cease its fine chemicals business and will transfer its healthcare foods business to consolidated subsidiary Oriental Yeast Co., Ltd. (Director and President: Hideo Arai; hereinafter “Oriental Yeast”). Nisshin Pharma will discontinue its operations within FY2026 (by March 31, 2026). Details are as follows.

1. Background and objectives

Nisshin Pharma was spun off from the Group in 2001. Nisshin Pharma first performed the chemical analysis of wheat and wheat flour in the flour milling business, which is the origin of the Group, and began researching vitamins. Nisshin Pharma became the world’s first company to successfully mass-produce coenzyme Q10 utilizing the technologies and expertise it had developed over many years. The company has adapted to changes in the business environment by leveraging its research capabilities and ensuring high quality standards.

Nisshin Pharma is currently involved in two lines of business: the fine chemicals business, where the company manufactures and sells Active Pharmaceutical Ingredient (hereinafter the “API”, specifically a medication for hyperlipidemia and so on), and the healthcare foods business, in which it produces and sells supplements, including Bificolon S and Power Supply NMN. The fine chemicals business is facing a challenging business environment because sales of API are slow. In the healthcare foods business, Nisshin Pharma has maintained brands and products that customers have loved for many years. However, the company must implement strategies to achieve growth in this challenging competitive environment. In light of these circumstances, the Company has decided to restructure the Group’s business portfolio. In the restructuring, Nisshin Pharma will discontinue its fine chemicals business and transfer the healthcare foods business to Oriental Yeast to narrow its focus. Oriental Yeast has the ability to develop food materials and is capable of further advancing the healthcare foods business by effectively utilizing the assets in its healthcare foods business. As a result, Nisshin Pharma will cease its business operations.

2. Schedule

Fine chemicals business

- The business will be discontinued by the end of FY2026
- The production of API, the main product line at the Ueda Plant, will cease at the end of October 2025.

Healthcare foods business

- The healthcare foods business will be transferred to Oriental Yeast, which will commence operations in FY2027 (April 2026).

3. Effects on results

An extraordinary loss of 2,276 million yen was recorded due to the restructuring in the fiscal year ended March 31, 2025. The impact of the restructuring is included in the consolidated results forecast for the fiscal year ending March 31, 2026.

4. Profile of Nisshin Pharma Inc.

(1) Name	Nisshin Pharma Inc.
(2) Address	1-25 Kanda-Nishiki-cho, Chiyoda-ku, Tokyo
(3) Title and name of representative	Director and President, Hidekuni Tanaka
(4) Business	Manufacture and sales of healthcare foods, API and other products
(5) Capital	2,689 million yen
(6) Established	July 2001
(7) Major shareholders and shareholding ratios	Nisshin Seifun Group Inc. 100%
(8) Results (net sales)	2,249 million yen (fiscal year ended March 31, 2025)
(9) Number of employees	65 (as of March 31, 2025)

5. Profile of Oriental Yeast Co., Ltd.

(1) Name	Oriental Yeast Co., Ltd.
(2) Address	3-6-10 Azusawa, Itabashi-ku, Tokyo
(3) Title and name of representative	Director and President, Hideo Arai
(4) Business	Manufacture and sales of yeast, raw material for the manufacture of bread, confectionery, noodles, various feeds, biochemicals, and toxicity studies on medicines, foods, etc.; sales of laboratory animals
(5) Capital	2,617 million yen
(6) Established	June 1929
(7) Major shareholders and shareholding ratios	Nisshin Seifun Group Inc. 100%
(8) Results (net sales)	72,353 million yen (fiscal year ended March 31, 2025)
(9) Number of employees	697 (as of March 31, 2025)

The Group will be committed to remaining a corporate group that continues to earn the support of its stakeholders. We kindly request your understanding and support as we work to achieve our goals.

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