



Consolidated Financial Results for the Fiscal Year Ended July 31, 2025

Plans for the Fiscal Year Ending July 31, 2026

Mid-Term Plan 2026 Progress

September 25, 2025
Pharma Foods International Co., Ltd.



Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

- ✓ **For the fiscal year ended July 31, 2025, net sales increased while operating income decreased**

Revenue increased in our functional materials sales and e-commerce businesses; however, operating profit declined due to higher advertising expenses, R&D investments for new projects (pharmaceuticals, textiles, and agriculture), and investments related to our Expo participation.

- ✓ **For the fiscal year ending July 2026, we expect revenue to increase, while operating profit is projected to decline.**

While steadily achieving revenue of ¥68.0 billion through the growth of our existing businesses, we will continue strategic investments in creating new value, including the textiles and agriculture businesses as well as M&A initiatives.

- ✓ **Regarding the "New Value Creation 1K Project" outlined in our Mid-Term Plan 2026, we will maintain our commitment to achieving ¥100 billion in net sales in the fiscal year ending July 2026.**

1. FY2025 Results and FY2026 Forecast

2. Initiatives of the “New Value Creation 1K Project”

FY2025 Results Highlights

Net sales : Increased

¥ 65,260M

YoY : 105%

(Million Yen)

Net Sales

Operating Profit

Ordinary Income

Net Income Attributable to Parent

(Yen)

EPS

Year-End Dividend per share

Operating Profit : Decreased

¥ 2,367M

YoY : 47%

Net Income Attributable to Parent

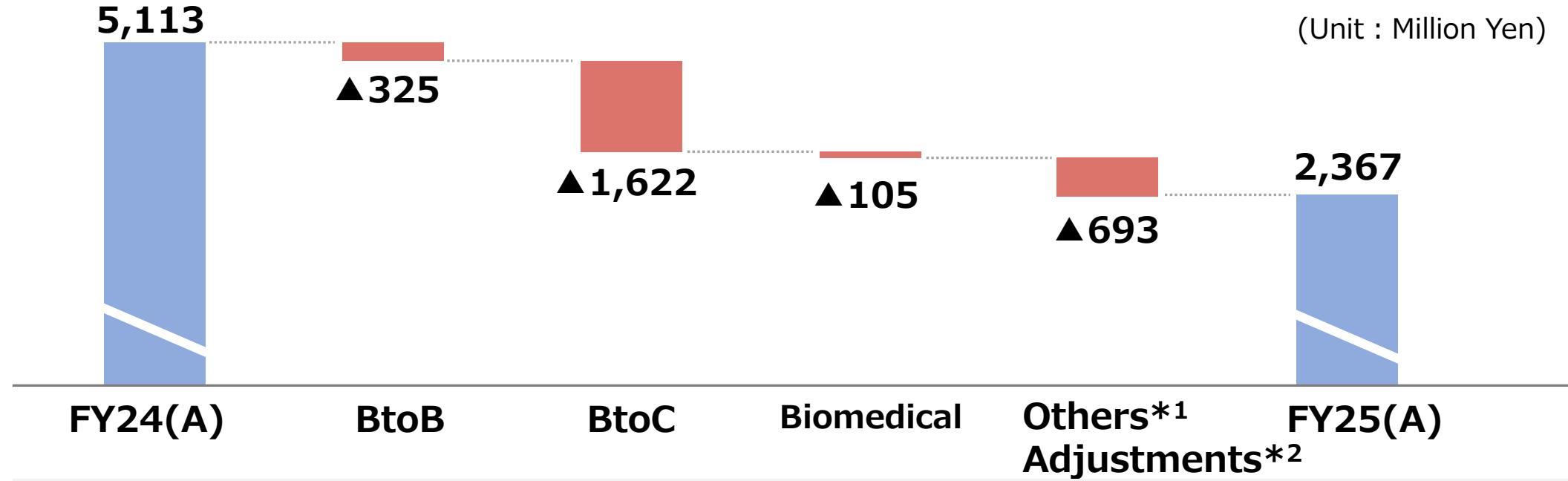
¥ 368M

YoY : 12%

	FY2025(A)	FY2024(A)	Change	%
Net Sales	65,260	62,147	3,113	5%
Operating Profit	2,367	5,113	-2,746	-53%
Ordinary Income	2,553	5,249	-2,696	-51%
Net Income Attributable to Parent	368	3,205	-2,837	-88%
(Yen)	FY2025(A)	FY2024(A)	Change	%
EPS	12.8	112.7	-99.9	-88%
Year-End Dividend per share	25	25	-	-

Operating Profit Change Factors by Segment – FY2025.A

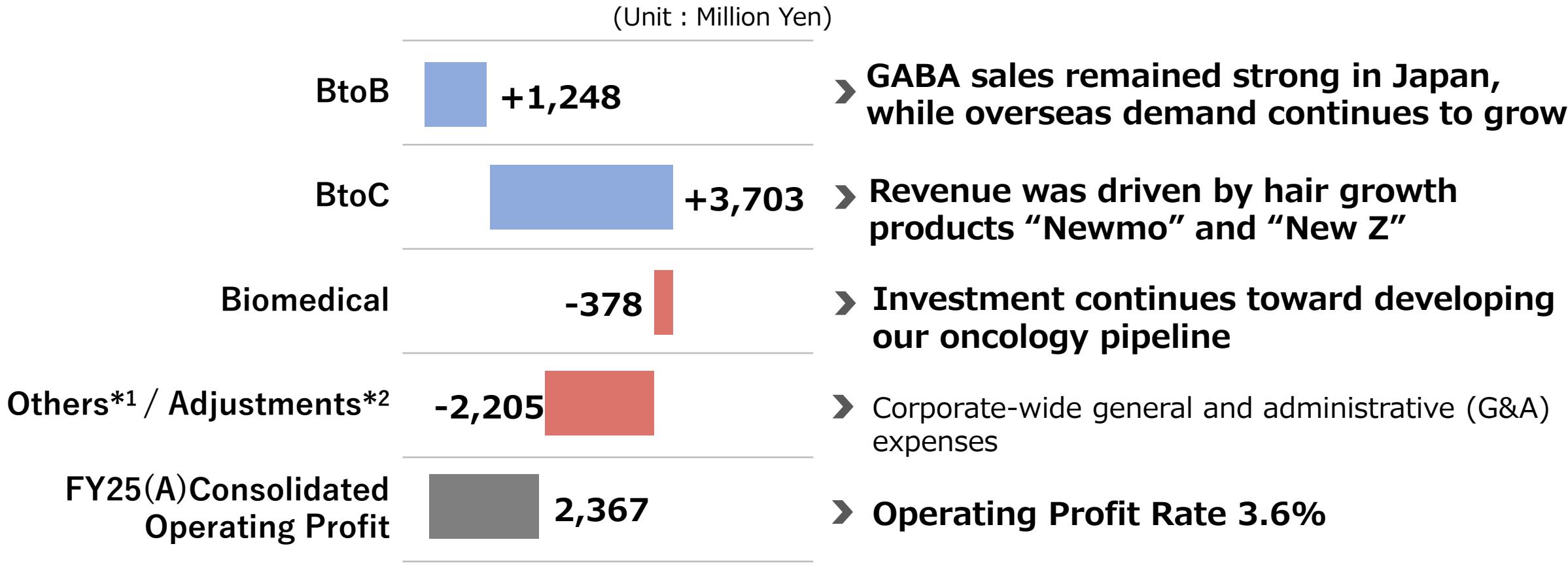
- ✓ BtoB : Sales of functional materials performed strongly (120% YoY), while the pharmaceutical contract manufacturing business declined, achieving 70% of the previous year, resulting in lower profit
- ✓ BtoC : E-commerce sales increased (108% YoY); however, higher advertising expenses (119% YoY) led to a decline in profit
- ✓ Biomedical : R&D investments are ongoing to develop new antibody pharmaceutical candidates



*1 : "Others" includes segments outside the reportable segments, including fund management.

*2 : "Adjustments" consist of corporate-wide expenses, including G&A, and depreciation/amortization.

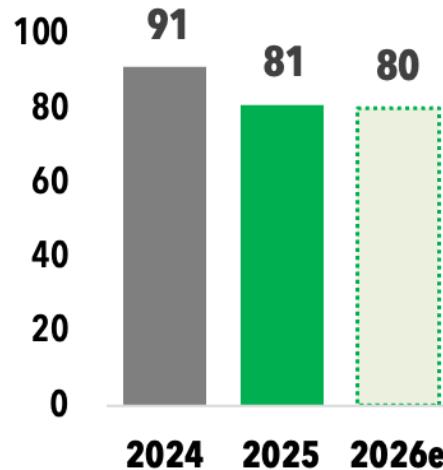
Operating Profit by Segment – FY2025(A)



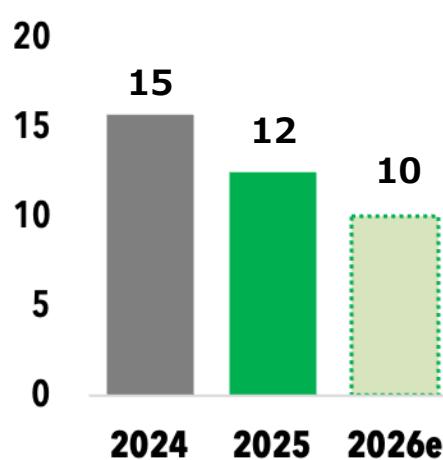
*¹ : “Others” includes segments outside the reportable segments, including fund management.

*² : “Adjustments” consist of corporate-wide expenses, including G&A, and depreciation/amortization.

Net Sales(100M Yen)



Operating Profit(100M Yen)



FY2025 Review

Enhanced own-brand product sales

Distribution to Costco and other drugstore chains



Functional materials newly used in daily food products

GABA-contained rice balls are available at 7,000 stores of a leading convenience store chain in Kanto



GABA supplements are strong in North America

The AVRO brand featuring PharmaGABA expanding via a leading local distributor.



FY2026 Plan

Newmo Brand Expansion

Launched beverage product "Newmo D"

Alongside store-exclusive "Newmo V," expanded nationwide primarily through drugstores



Expanding into Daily foods

Expanding Functional Materials into Beverages, Foods, and Daily Items

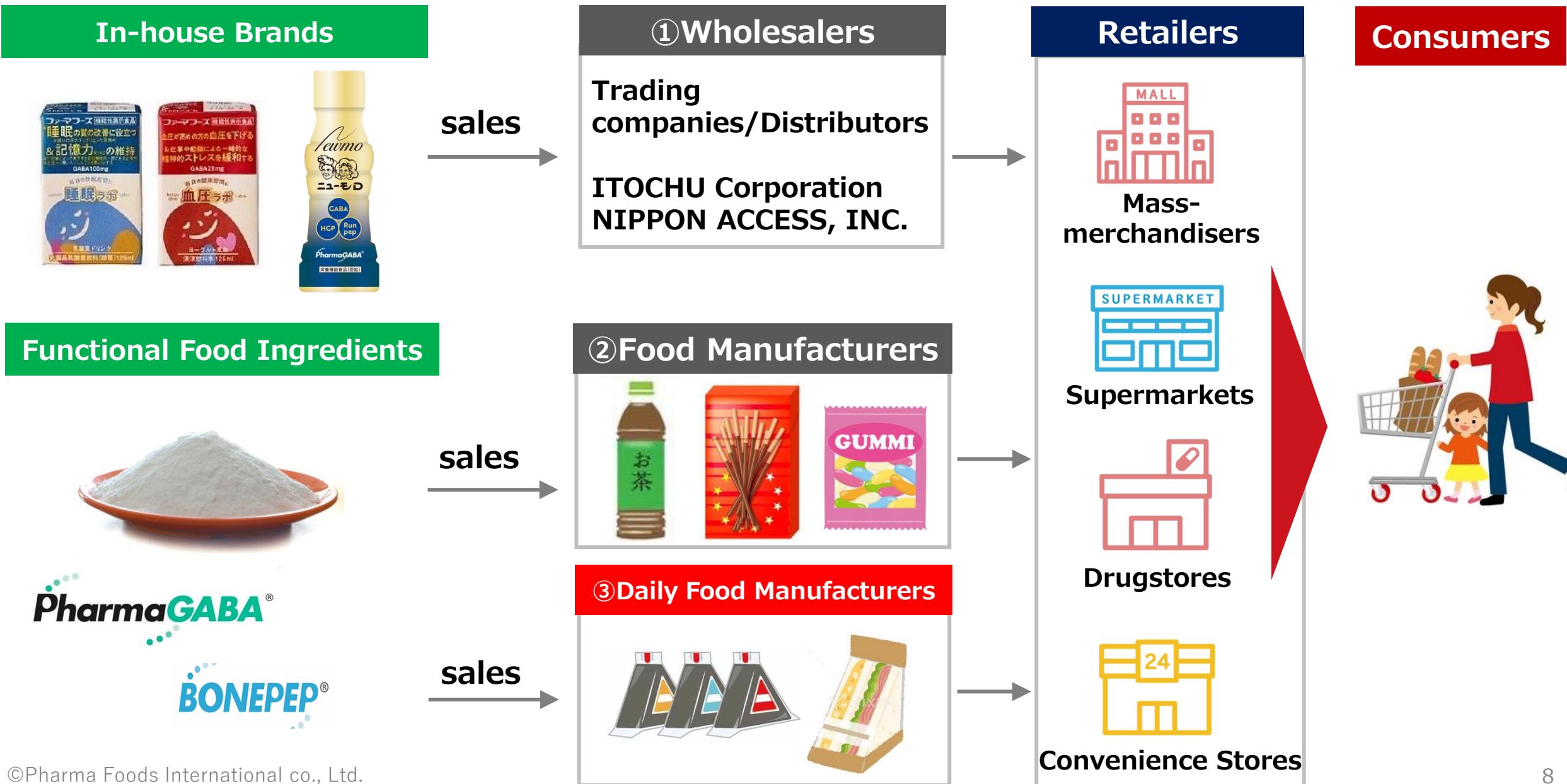


Strengthening Distribution While Pursuing GRAS Approval

In the U.S., pursuing GRAS approval, while enhancing in Southeast Asia, China, and India through local distributor partnerships.⁷



Expanding Domestic Distribution via Three Supply Chain



Increased Use of PharmaGABA in North America

- ✓ Launched a functional powdered hydration beverage series containing PharmaGABA

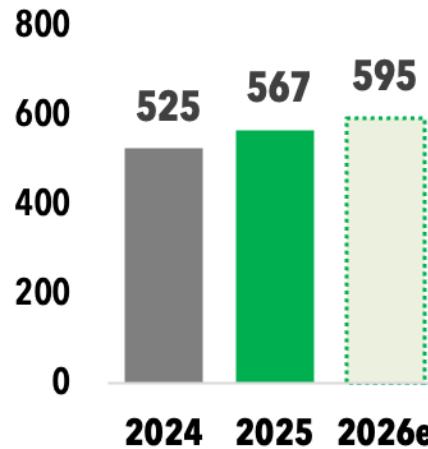


- ✓ Post-FDA approval, PharmaGABA is expected to be adopted by major beverage manufacturers, with annual sales projected at 60 tons.

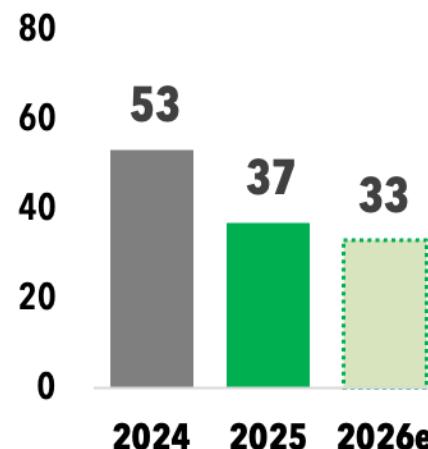


Pharma Foods International Co., Ltd.
Head of Overseas Department
Aditya Kulkarni

Net Sales(100M Yen)



Operating Profit(100M Yen)



FY2025 Review

► Newmo Brand Sales Expansion

“Newmo V” launch with Five Active Ingredients

Brand Annual Sales

YoY **110%**

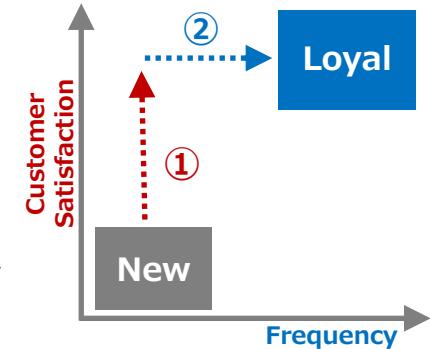


FY2026 Plan

► Growth sustained by Newmo V

Newmo V: 300,000 units shipped in 5 months

Cultivating loyal customers while maintaining acquisition efficiency for a robust revenue base



► Meiji Yakuhin; Significant Increase

The number of subscription customers at Meiji Yakuhin increased to 220,000.

YoY **2.7x**

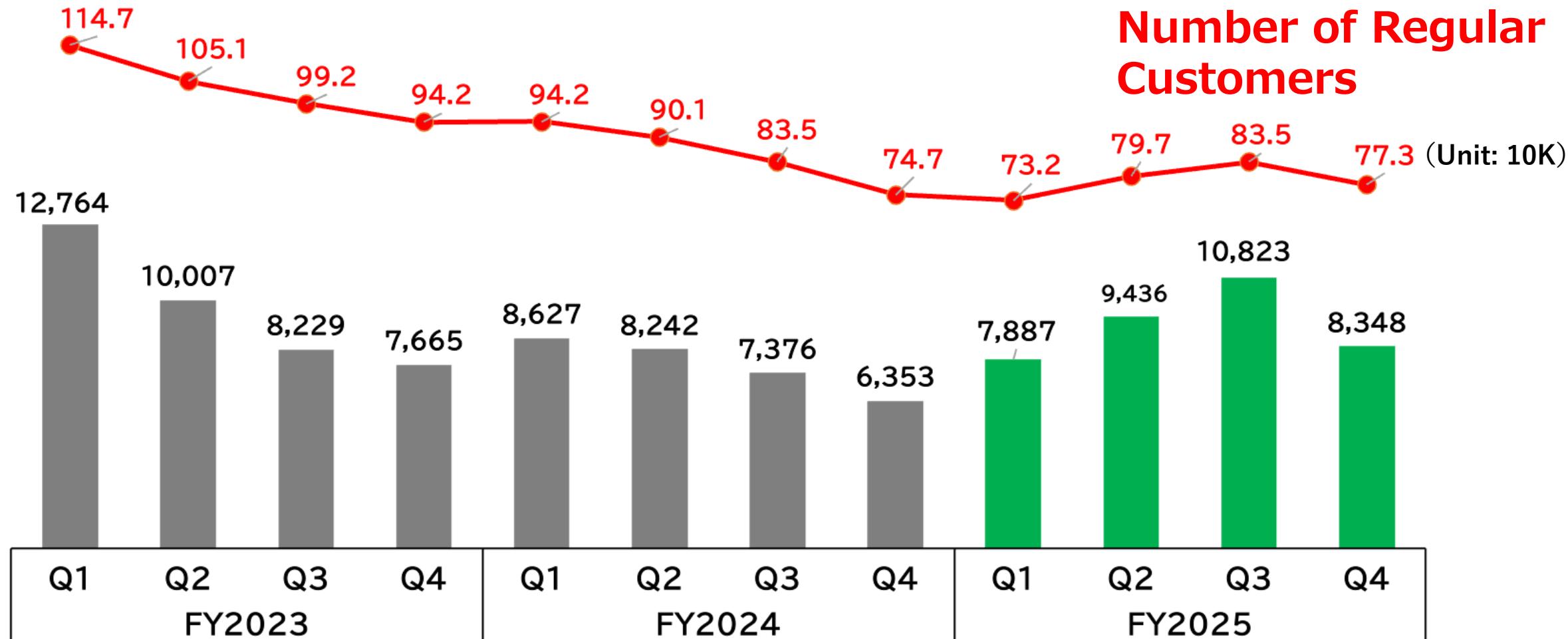


► Omnichannel strategy: e-commerce & retail

Expanding drugstore distribution, led by “LACTRON Tablets” and “Newmo”



Number of Regular Customers Increased to 773K (103.5% YoY)



Products following “Newmo” are Steadily Growing

Hair Growth “Newmo”

Total shipped units

31Millions



**#1 Global
In Hair Care sales
For 4 Consecutive
Years**

“New Z”

Total Shipped Units

3.39Millions



“Drcula”

Total Shipped Units

3.35Millions



**#1 in
Online
Toothpaste
sales, 2023**

“Tamagosamin”

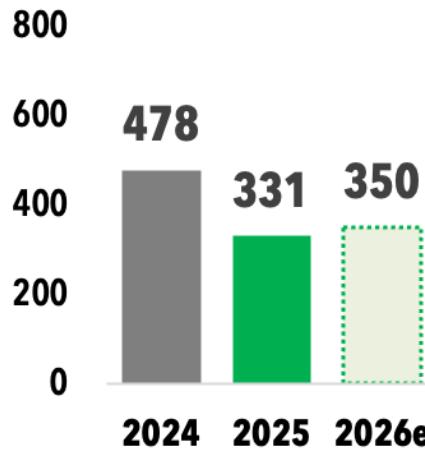
Total Shipped Units

8.27Millions

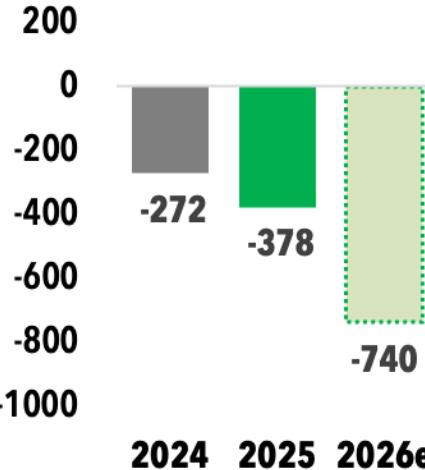


As of Sep 16, 2025

Net Sales(Million Yen)



Operating Profit (Million Yen)



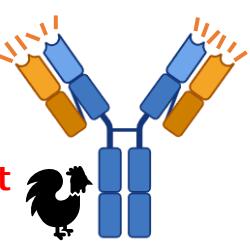
FY2025 Review

Antibody

▶ Progress in autoimmune disease project

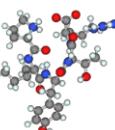
MT-3534 licensed to Mitsubishi Tanabe Pharma Corporation

Phase I single-dose study completed; clinical development progressing steadily*1



▶ Antibody molecule alliance secured

Takeda exercises purchase option on antibody sequence information*2



Compound

▶ Established the CADASIL Drug Discovery Research Department*3



CADASIL is a designated rare disease caused by genetic abnormalities, leading to serious conditions such as stroke and dementia.

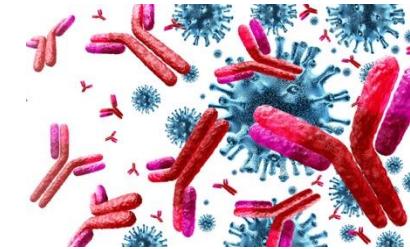
FY2026 Plan

▶ Accelerating oncology drug development projects

Advancing two pipelines in the oncology field.

Acquired new antibody candidates using proprietary discovery platform

ALAgene®



▶ Evaluating drug candidates and building business structure

Evaluating new drug candidates and drafting clinical development plans

Establishing organizational structure for API manufacturing and sales

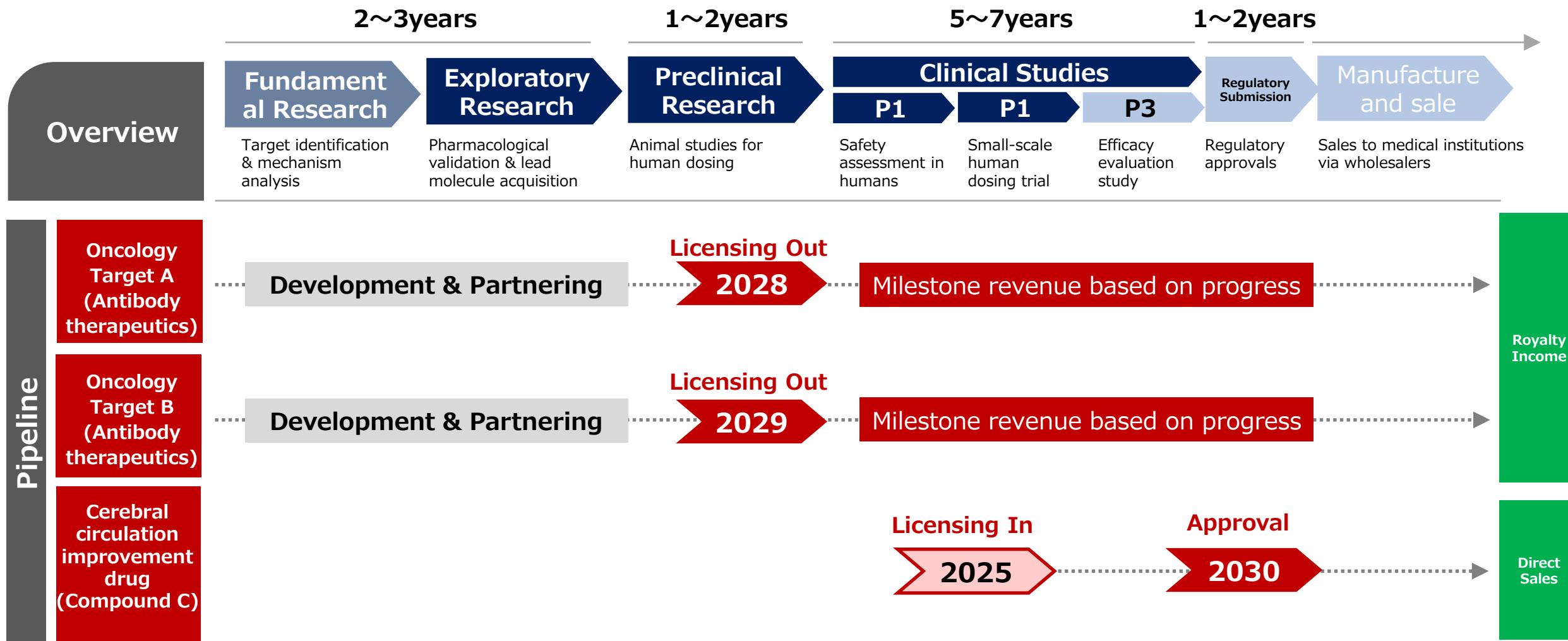


*1 : 2025/9/24 Release : "ALAgene® technology"-Derived Antibody Therapeutic Candidate Achieves Phase I Clinical Milestone ~Driving Future Growth through Strategic License Agreement~

*2 : 2025/7/16 Release : Pharma Foods' Antibody Technology Advances as Takeda Exercises Sequence Purchase Option

*3 : 2025/2/12 Release : The establishment of World's first "CADASIL Drug Discovery Research Department" in collaboration with National Cerebral and Cardiovascular Center

Prospects for New R&D Pipeline Toward 2030※



※ Future prospects prepared by the Company; progress, licensing, or approvals are not guaranteed.

FY2026 July Forecast

- Higher R&D investments, including drug discovery, may reduce profit, but revenue growth expected for second consecutive year
- Continued ¥30 billion strategic investment in agriculture, textiles, and M&A for new value creation
- Should any adjustments to the fiscal year ending July 2026 forecasts arise from M&A activities, the Company will provide appropriate information disclosure.

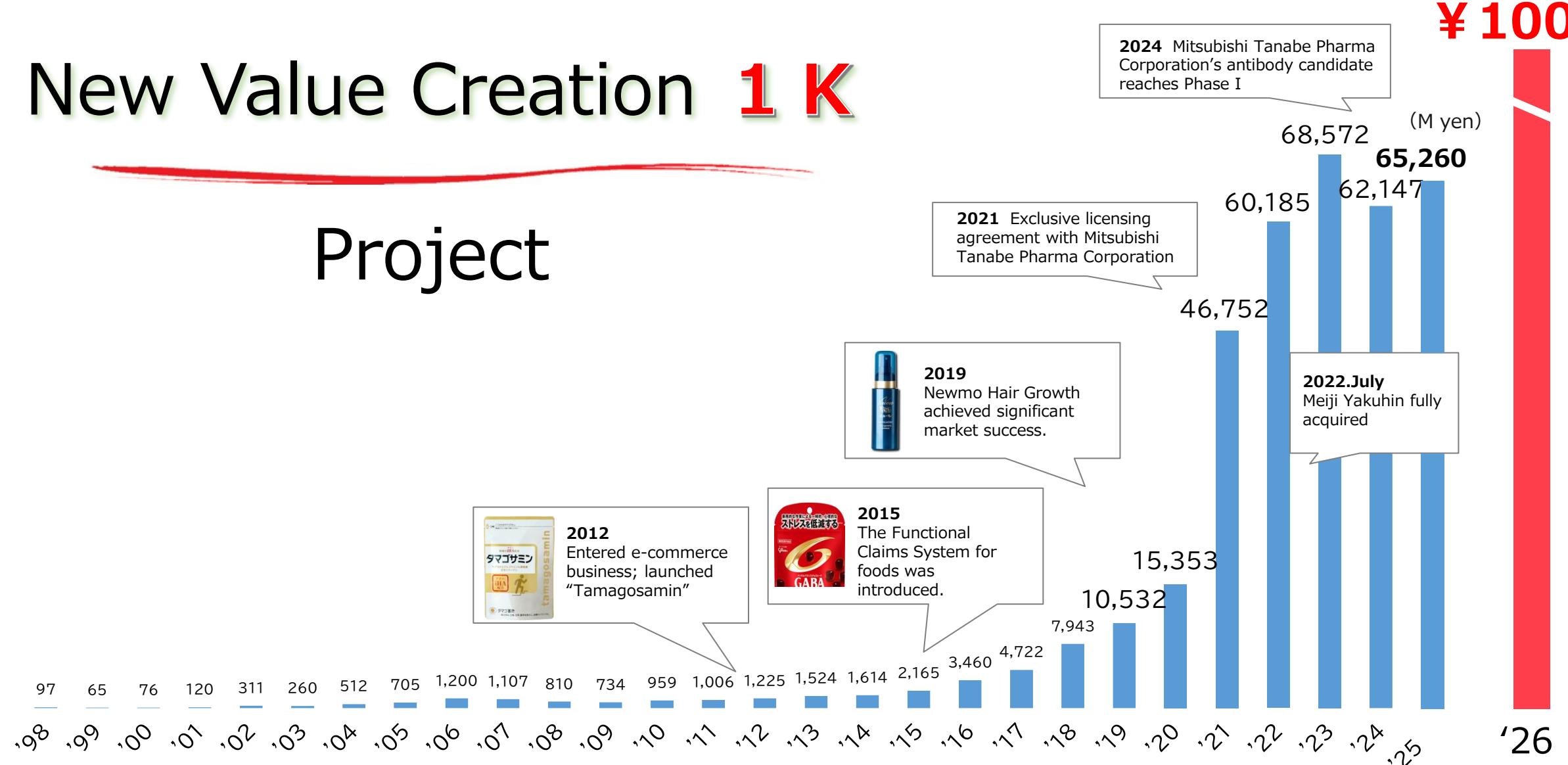
(Million Yen)	FY2026(E)	FY2025(A)	Change	%
Net Sales	68,000	65,260	2,740	4%
Operating Profit	1,500	2,367	-867	-36%
Ordinary Profit	1,500	2,553	-1,053	-41%
Net Income Attributable to Parent	1,000	368	632	171%
(Yen)	FY2026(E)	FY2025(A)	Change	%
EPS	34.6	12.8	21.8	170%
Year-End Dividend per share	25	25	-	-

1. FY2025 Results and FY2026 Forecast

2. Initiatives of the “New Value Creation 1K Project”

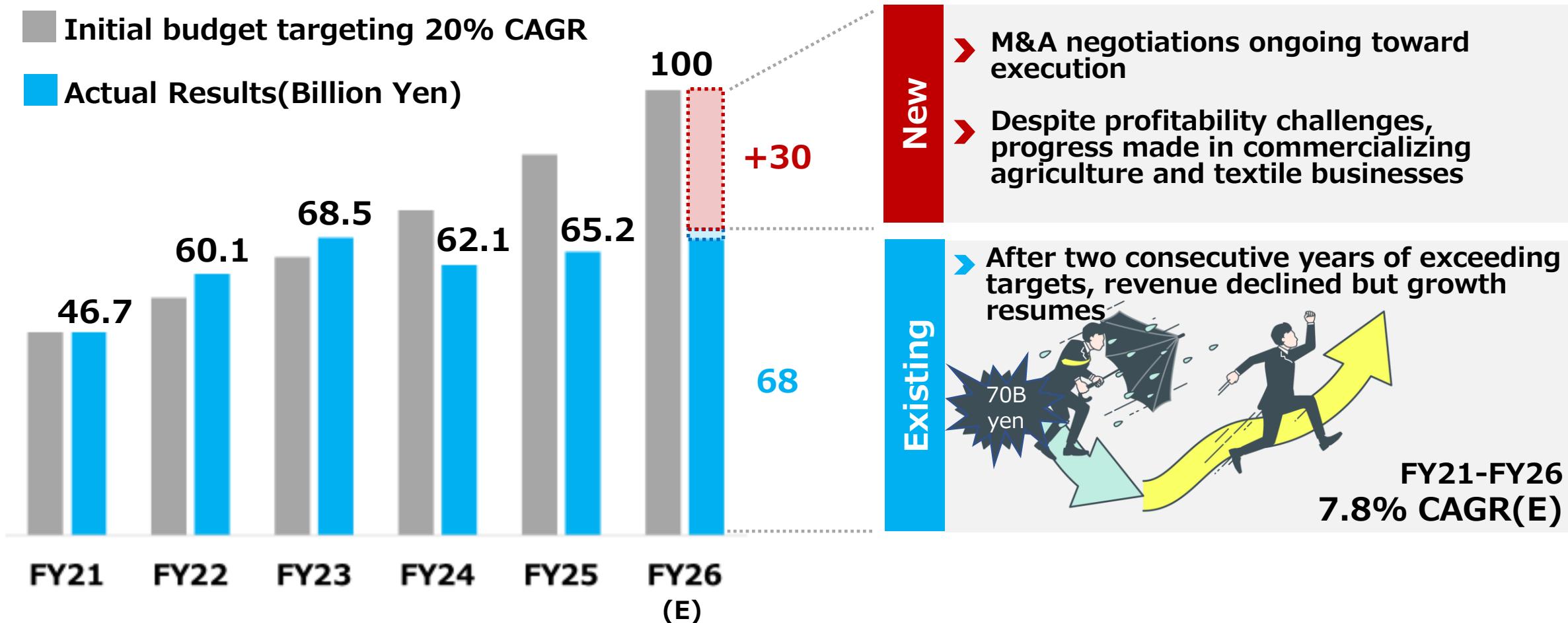
New Value Creation 1K

Project



Budget and Progress of the “1K New Value Creation Project”

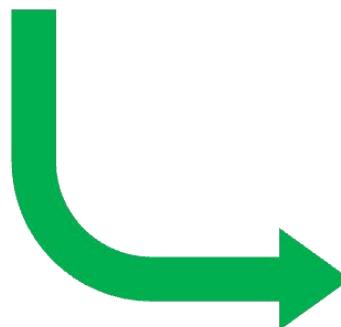
- ✓ Project targeting ¥100 billion in sales: ¥70 billion from existing business, ¥30 billion from new business initiatives



Extreme weather



Reduced yield
Lower quality



**Bio-Stimulant
research using
plant endophytic
yeast and GABA**



Research
Institute



× Agribusiness
company



Increase Yield



Quality
Improvement



Sustainability



**Supports productivity and
quality improvement**

**Ensures farmers' profits and
food security**

- ✓ Global market projected to grow 11% CAGR from 2025, exceeding \$12.8 billion (~¥1.9 trillion) by 2034*¹
- ✓ Domestic market expected to grow from ¥9.2 billion in 2022 to ¥13.6 billion by 2030*²

The global market for Bio-Stimulants*¹



*¹ : Precedence Research (2025) Biostimulants Market Size, Share, and Trends 2025 to 2034 Rev

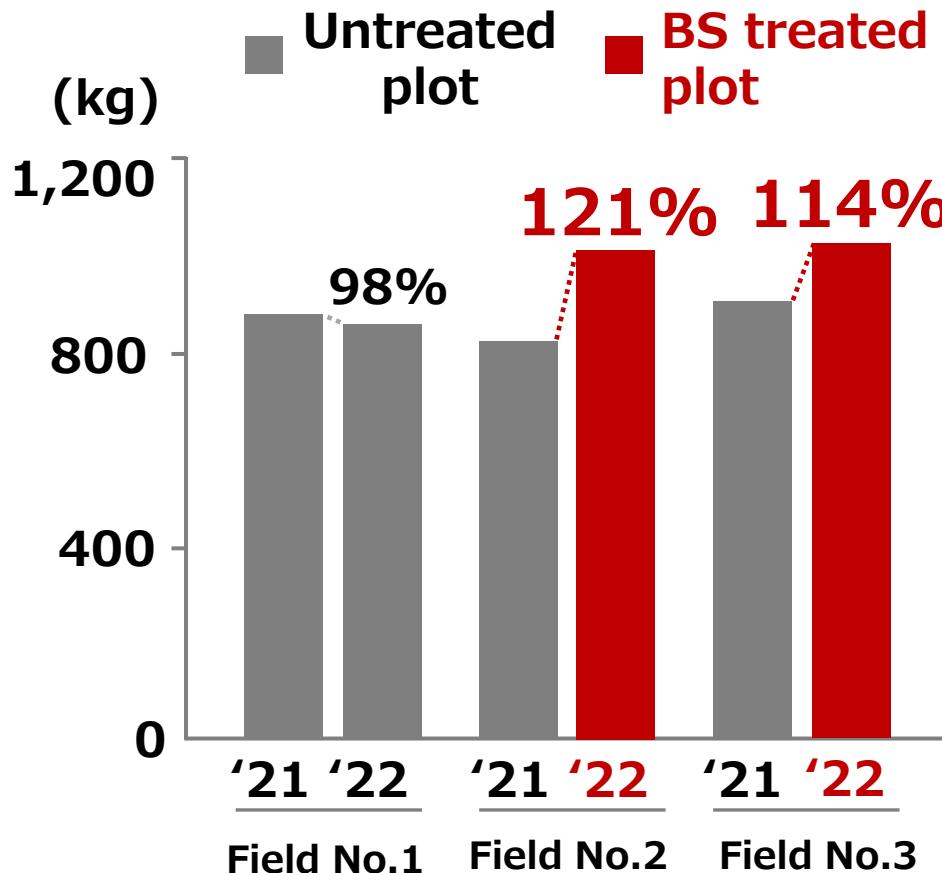
*² : Yano Research Institute, "Biostimulants Market: Current Status and Future Outlook, 2024 Edition"

Flowering Promotion Effect of GABA-Containing Bio-Stimulant



✓ Field trials in rice showed improved tolerance to heat stress

Yield improved by over 14%



Reduced occurrence of defective rice to ~1/6

Untreated plot



BS treated plot



Chalky kernels

20%

BS

Chalky kernels
3.4%



BS : Bio-Stimulant

Selected "MAFF Open Innovation Research and Development Promotion Project"



- ✓ Bio-oriented technology Research Advancement InstitutioN – Subsidized Project (Budget allocation from MAFF)
- ✓ Research theme: Developing and implementing new Bio-Stimulant formulations for sustainable high-quality rice under climate change



R&D members for the Agricultural business

Representatives



**ITOCHU
Corporation
Group**

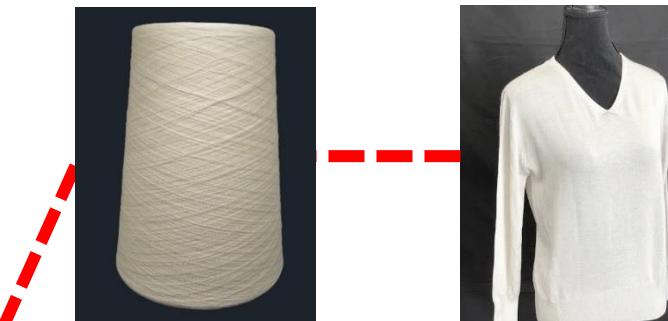
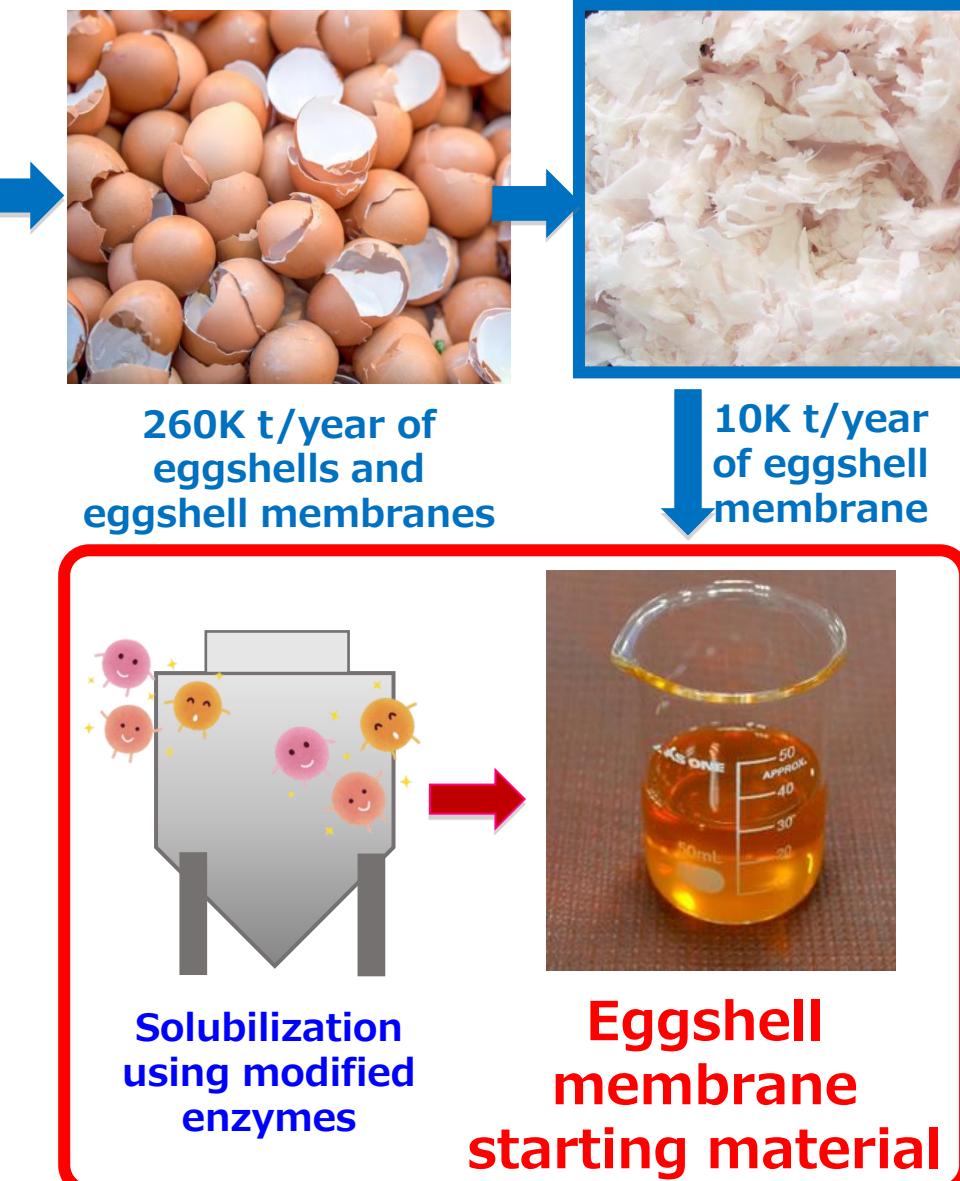
Consortium for social implementation

NEDO "Research and Development of Technologies to Promote Biomanufacturing" Project



2.6million
t/year of eggs

※Annual domestic
egg production in
Japan



Eggshell membrane-cellulose hybrid fiber



Eggshell membrane nanofiber



Textile



Battery material



Agri Bio-Stimulant

Sustainable “ovovéil” Draws Attention in Domestic and International Textile Industries

- ✓ The textile industry faces environmental concerns and demands new materials suitable for the circular economy
- ✓ Global competition intensifies, but sustainability drives a shift from synthetic to natural fibers





**Exhibited in the World's four major fashion shows "Paris Fashion Week" for
two consecutive years**
DOUBLET 26 Spring/Winter Collections (Paris, 2025)



Business opportunities with international apparel companies via Expo exhibition

Launch of Lifestyle Brand “ovonir”

- ✓ Launched in-house brand using ovoviel, starting e-commerce sales
- ✓ Boosting brand awareness and refining product planning and go-to-market strategy based on consumer insights



<https://shop.ovonir.com/>

Growth Drivers in the “1K New Value Creation” project



※Maintaining target of over ¥100 billion in sales for FY2026/7

Mid-long term

➤ Bio-Medical

- Creating new oncology pipeline
- Aiming for licensing deals by 2030

New business

➤ M&A

- Targeting execution in FY2026/7
- Negotiations ongoing

Existing business

➤ BtoB

- Expanding sales channels with functional materials and in-house brands
- Generating overseas demand via US GRAS approval

➤ Meiji Yakuhin New factory

- Strengthening production capacity (scheduled start July 2028)
- Targeting ¥23 billion sales in FY2030/7



➤ Agriculture

- Bio-Stimulant market potential
- Clear effects in rice and tomato
- Strong joint development system for social implementation

➤ Textile

- Capturing clear industrial needs for sustainability
- Comfort and skin health benefits

➤ BtoC

- Securing revenue through the Newmo brand
- Developing second and third revenue pillars
- Expanding customer touchpoints via omnichannel

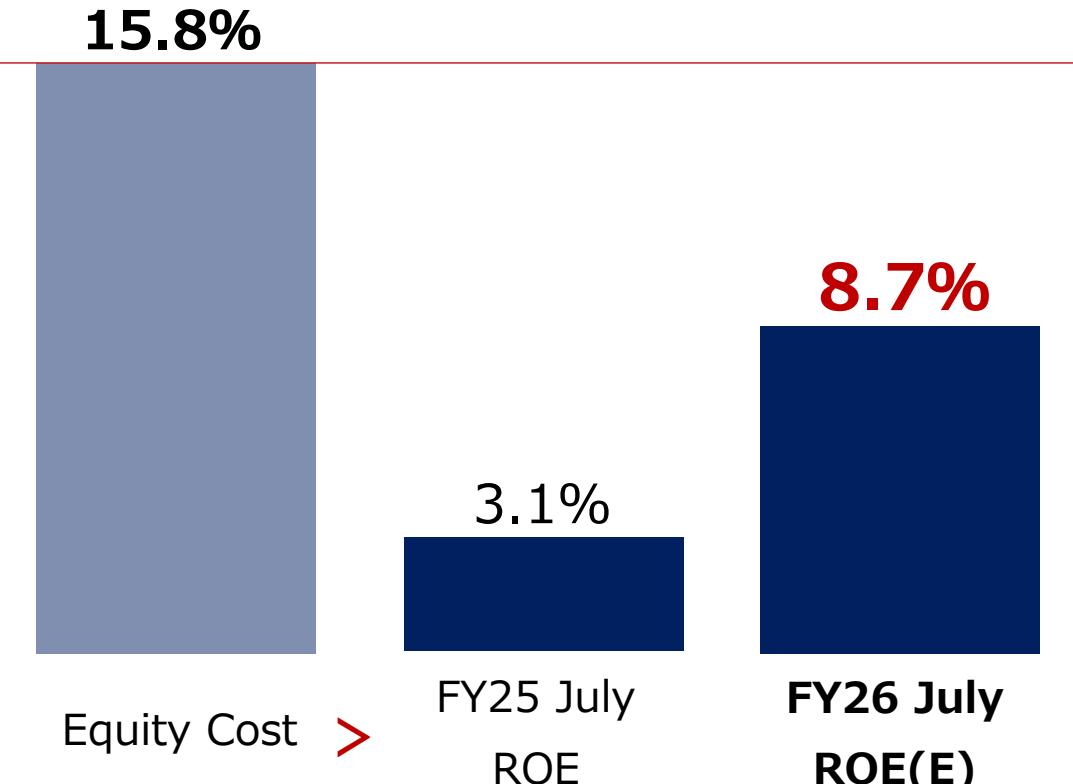


Appendix

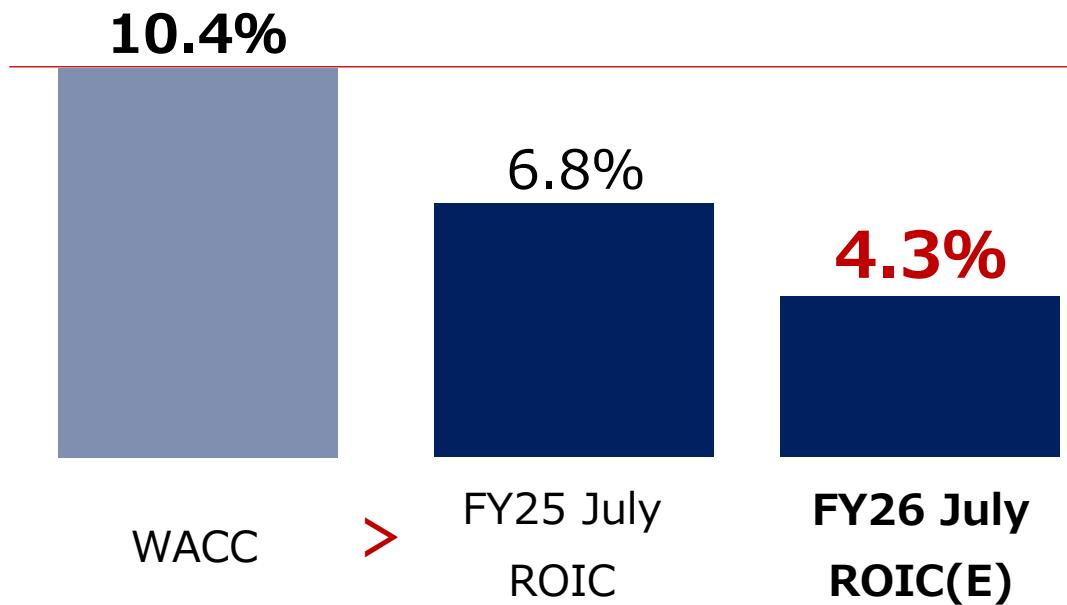
Management of Capital Costs and Share Price

Evaluation 1 – Capital Returns

ROE



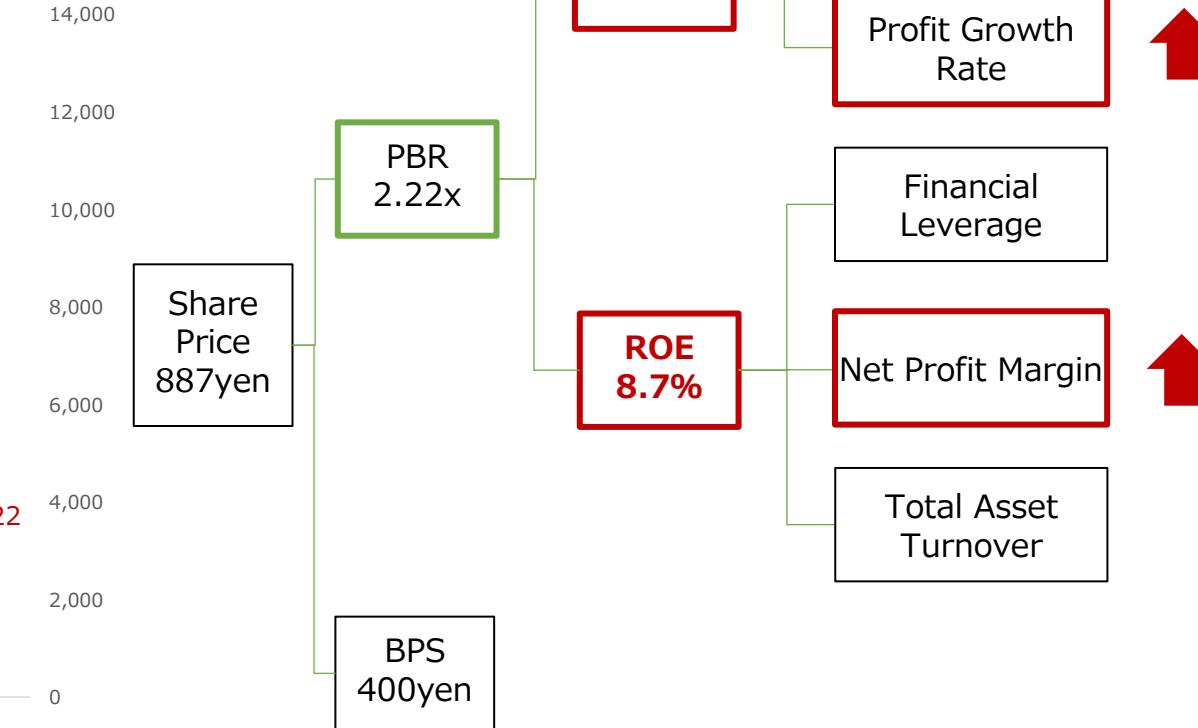
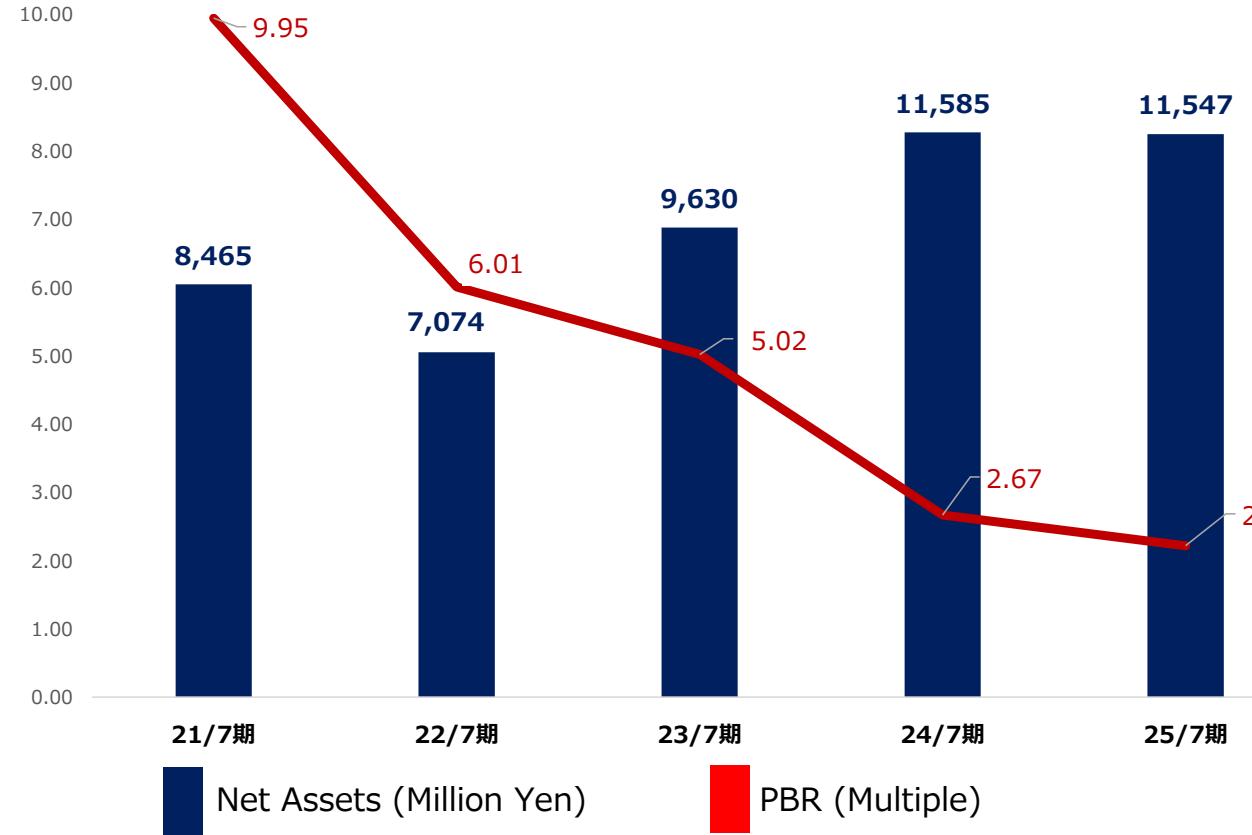
ROIC



Continuing bold investments to enhance future profitability; reducing shareholder capital cost remains a challenge, with efforts to improve underway

※Figures: FY25 July 31 estimated by SMBC Nikko Securities Inc
Tax rate 30%

Evaluation 2 – PBR



※Share Price: July 31, 2025
 ※Figures: FY25 July 31
 ※Margin Rate: Forecast

Generating outcomes from investments to enhance anticipation of future profit growth rates and profitability levels

Initiatives to Improve Corporate Valuation

Policies

ROIC Improvement

Pursuing financial balance to improve capital profitability

Flexible management of short-term loan balances

Capital Costs Decrease

Earnings through the strengthening of CRM measures that leverage the customer base

Expansion of the one-year subscription service, building long-term relationships with loyal customers through special offers

Expectation of Future Growth

Nurturing new businesses and restructuring the business portfolio through M&A and alliances

Capital and business alliance with ITOCHU Corporation

Increased opportunities for dialogue with the market and enhanced disclosure of non-financial information

Company introduction session via online, Advanced disclosure time, Financial results materials in English

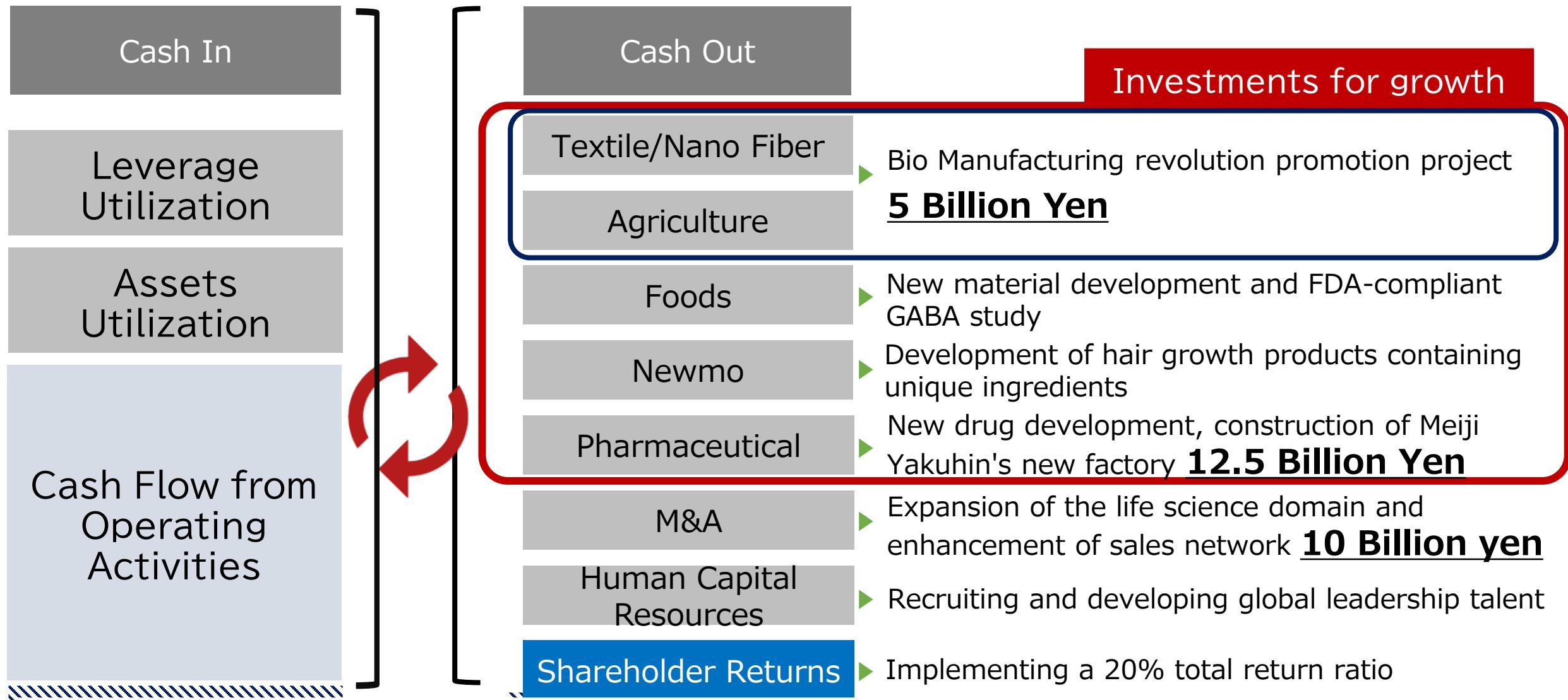
Increase investment in R&D, capital investment, and human capital resources

30 Billion Yen investments over 5 years

Increase the valuation as a healthcare company through the M&A strategies

The Representative takes the lead in M&A sourcing

Bold Investments of 30 Billion Yen



The increase in operating CF from investment returns is redistributed between business investment and shareholder returns.