



Financial Highlights for 3rd Quarter ended March 31, 2026 of FY2026

TAUNS Laboratories, Inc. (Code: 197A)

May 14, 2026

INDEX

01. Corporate Profile	P.02
02. Financial Results for 3rd Quarter of FY2026	P.11
03. Forecast of FY2026	P.22
04. Appendix.	P.29

Corporate Profile



Corporate Name	TAUNS Laboratories, Inc.			
Representative	Masaki Nonaka, President and CEO			
Foundation Establishment*	April 1987 April 2016(*Date of establishment of current corporation following the reorganization of group)			
Headquarters	761-1 Kamishima, Izunokuni-shi, Shizuoka 410-2325, Japan			
Capital (as of December 31, 2025)	392 million yen			
Board of Directors & Audit Committee (as of December 31, 2025)	President and CEO	Masaki Nonaka	External Director	Toshinori Mishina
	Director	Yoshio Uchiyama	External Director	Osamu Chiba
	Director	Junpei Nagai	Auditor	Yoshitaka Endo
	Director	Masahiro Ito	External Auditor	Makiko Nakagawa
			External Auditor	Caroline F. Benton
Shareholder Composition (as of December 31, 2025)	CITIC CAPITAL JAPAN PARTHERS III, L.P. 39.20% Masaki Nonaka 29.35%			
Business Scope	Development, manufacture, sales and import/export of in vitro diagnostic and reagents Main products are antigen test kits for infectious diseases			
Sales	18,627 million yen (FY 2025)			
Number of Employees	382 (as of March 31, 2026)			
Total Assets	41,447 million yen (as of March 31, 2026)			
Location	Head Office/Kamishima Factory (Shizuoka), Fujisan Mishima Factory (Shizuoka), Shimizu-cho Office / R&D Center (Shizuoka), Tokyo Office			
Group Company	CLAIRVO TECHNOLOGIES, Inc.			
Main Clients	SUZUKEN CO., LTD., Roche Diagnostics K.K. and other companies			



Head Office/Kamishima Factory



Shimizu-cho Office / R&D Center



Fujisan Mishima Factory

**Through proprietary in vitro diagnostics, we will enrich lives and provide peace of mind.
In order to do so, we will accumulate technology and knowledge,
and continue to develop and improve our products.**

Peace of mind through diagnostic technology.

Normal days that pass you by.

Special moments that are extraordinary.

All of these are sustained by unwavering peace of mind.

With our proprietary diagnostic technologies,

TAUNS assists in the diagnosis and early detection of diseases.

Building a better outlook throughout the world

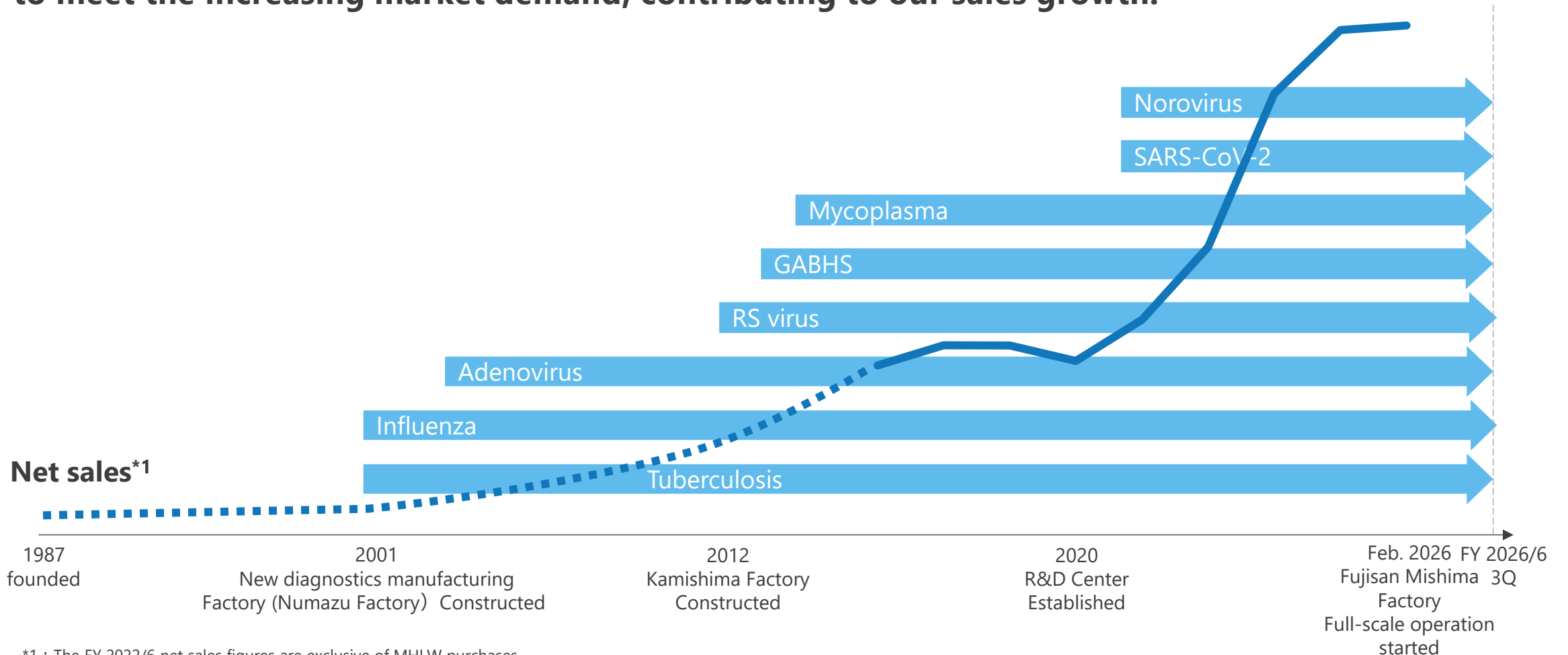
by relieving worries, one by one.

We continue to help you live your life every day without worry.

History



- Since the early 2000s, TAUNS has been expanding its extensive lineup of antigen tests.
- The Company has consistently strengthened its manufacturing and development capabilities to meet the increasing market demand, contributing to our sales growth.



*1 : The FY 2022/6 net sales figures are exclusive of MHLW purchases.

- We mainly develop and manufacture antigen test kits for infectious disease clinical testing. Under the ImunoAce brand, TAUNS offers a range of products for various infectious diseases, including influenza viruses, adenoviruses, and SARS-CoV-2.

Main Product Lines

Infectious Disease Ares



SARS-CoV-2
(released in 2020)



Influenza virus
(released in 2008)



SARS-Cov2 /
Influenza virus
(released in 2022)



Adenovirus
(released in 2008)



GABHS
(released in 2013)



Mycoplasma
(released in 2015)



Human Metapneumo virus
(released in 2016)

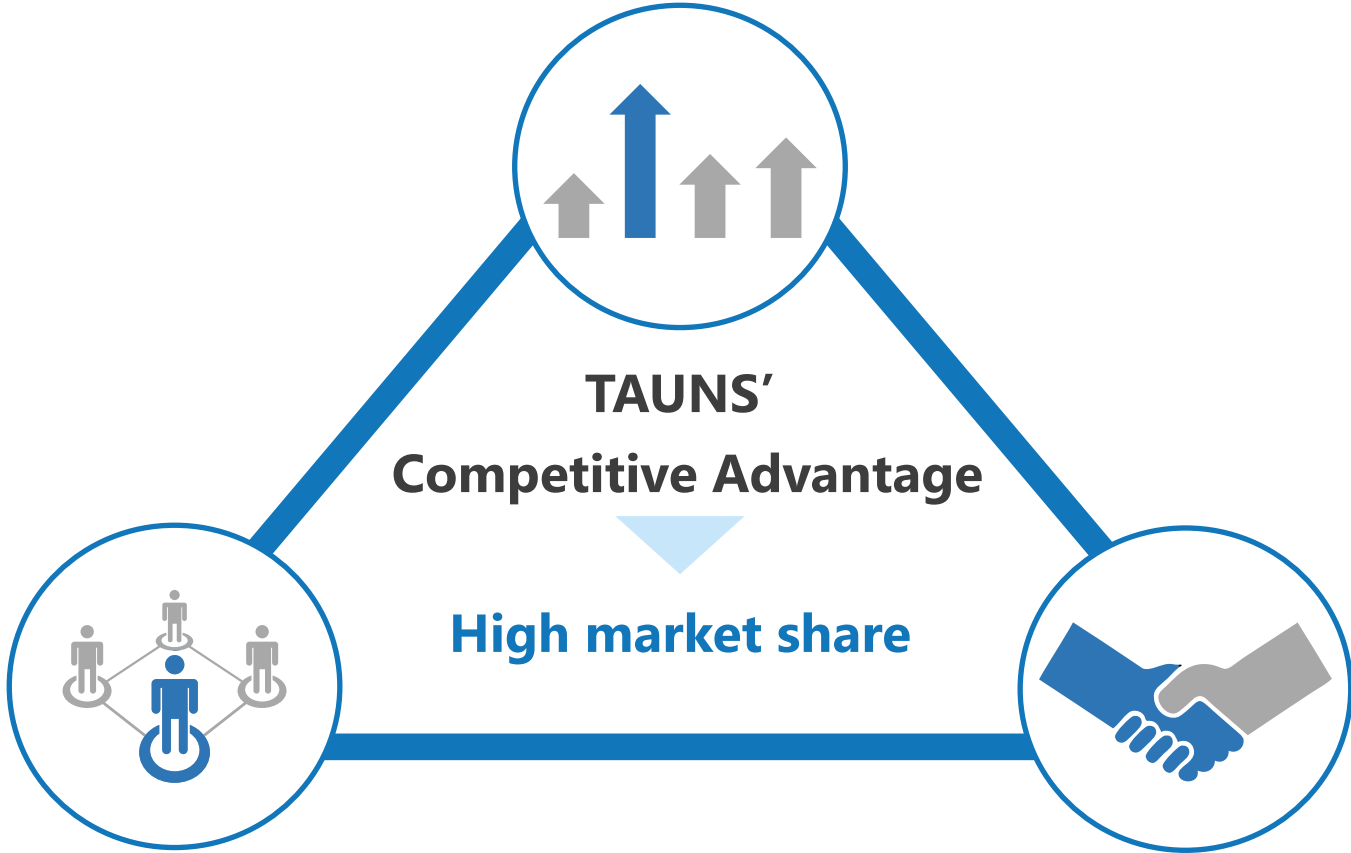


RS virus
(released in 2012)

Our 3 Competitive Advantages Driving High Market Share



(1) High product competitiveness



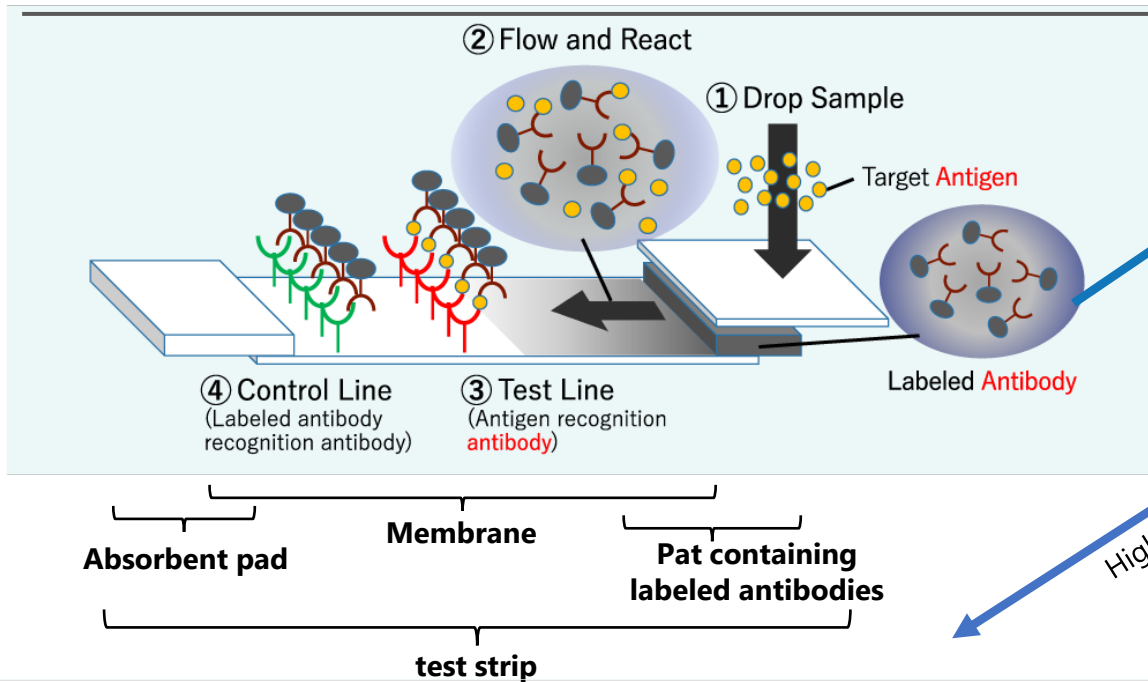
(2) Robust system for repeatable development

(3) Efficient sales system

Principle of Antigen Test Kits and Strengths of Our Technology

- High technological capabilities, including a track record in the development of numerous in-house antibodies (including patents) and proprietary platinum-gold colloid technology
- Utilizing our technological capabilities, we have developed high-quality products with both specificity and sensitivity. In addition, we supply products that are of high value to both the medical community and patients, such as those that enable the broad sharing of specimens among multiple infectious diseases.

Principle of Antigen Test Kits



Our core technologies and product value-added

Our Core Technologies

Proprietary **platinum-gold colloid technology** to achieve highly **visible black lines** on black signage acquired technology to improve sensitivity while suppressing nonspecific reactions through many years of accumulated know-how

Possesses **advanced antibody development technology** and a wealth of experience and know-how
The creation of high-performance antibodies contributes significantly to the sensitivity and specificity of the kit

Specificity × **Sensitivity**



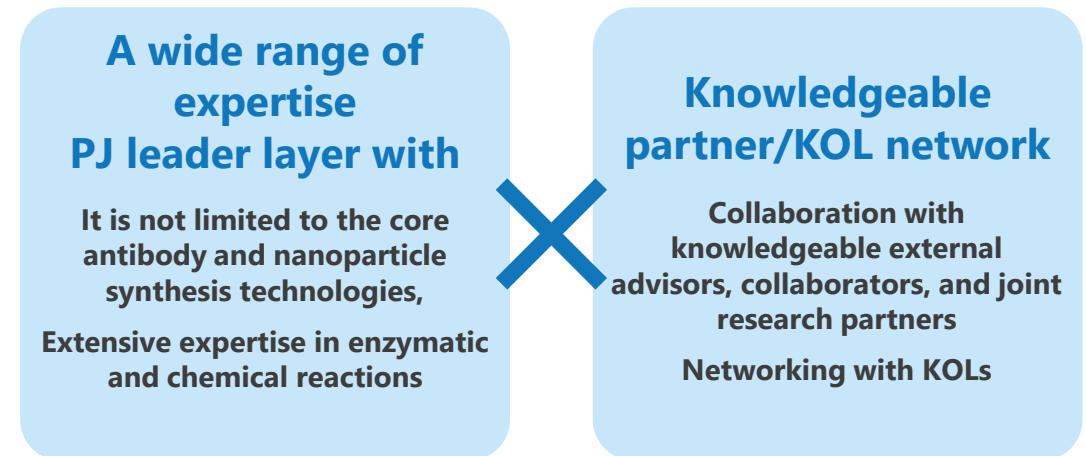
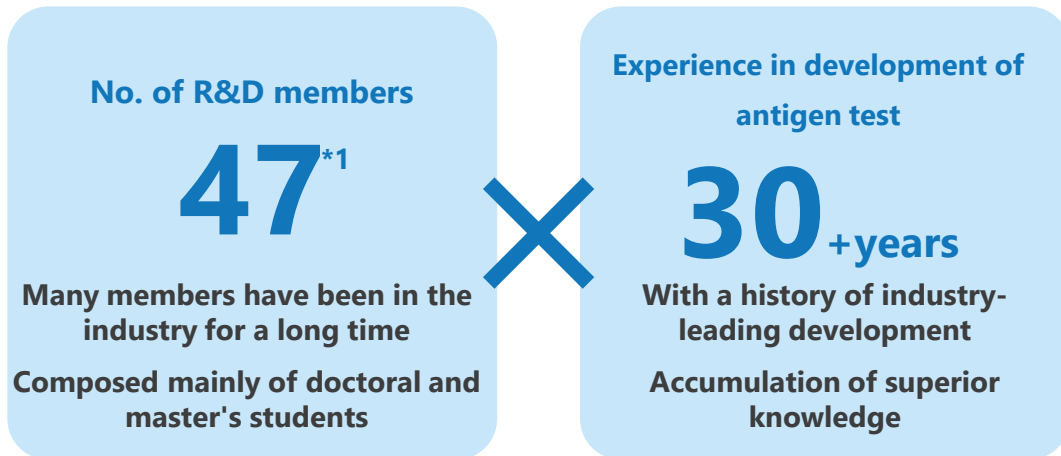
Robust System for Repeatable Development



- A development team with extensive business experience and advanced, diverse expertise leads development activities.
- Accumulated in-house knowledge from years of research and development, combined with insights from external sources, contributes to rapid and innovative development.

Experienced and Accomplished Development Team

Experienced Leaders / External Consultants



Extensive Development Achievements

- ✓ Pioneering achievements in developing 'world-first' products such as Capilia TB and MAC
- ✓ Successful development of proprietary technologies including platinum-gold colloid technology
- ✓ Numerous in-house antibody development successes (Antibodies to mycoplasma and tuberculosis bacteria are patented, and there are other antibodies pending patent application)

*1 Number of researchers enrolled as of March 31, 2026 (full-time employees).

Dr. Ichiro Okura

Institute of Science Tokyo
Professor Emeritus

Dr. Satoshi Mitarai

Research Institute of Tuberculosis
Dept. of Mycobacterium Reference and Research
Director

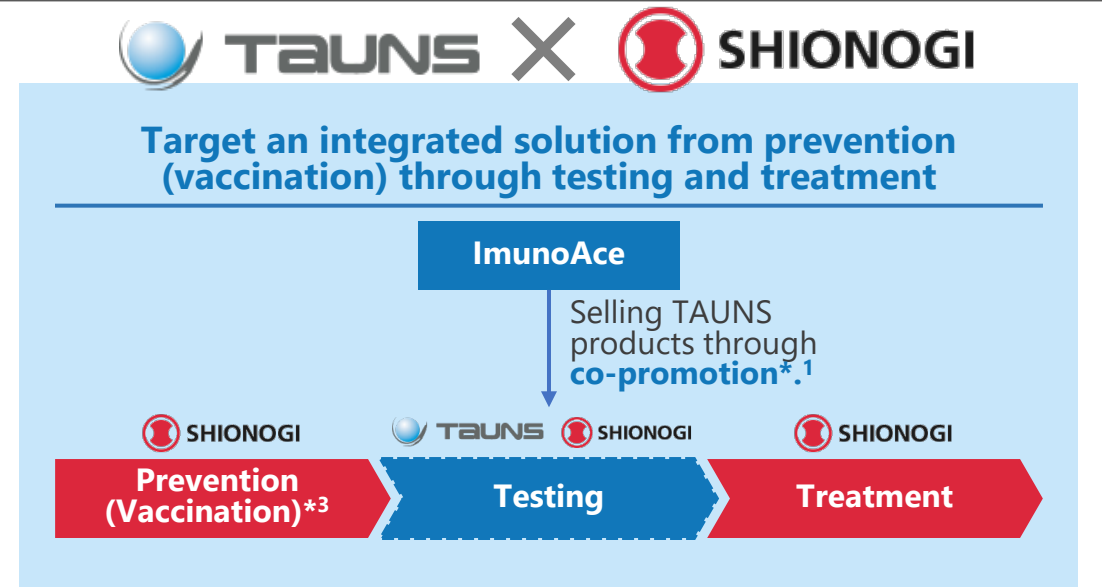
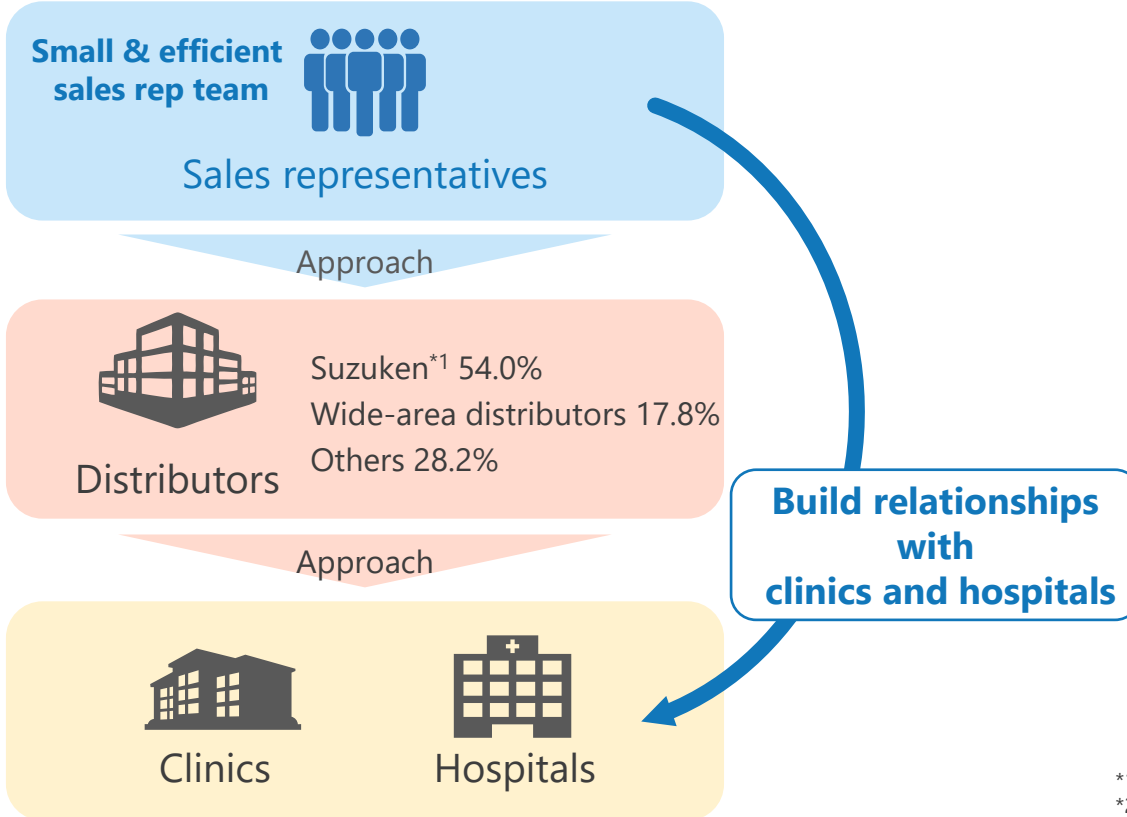
Dr. Yoshihiro Kawaoka

Institutes for Advanced Study,
The University of Tokyo
The UTOPIA center
Director

Distribution and Sales Structure



- A small number of elite sales representatives have established strong cooperative relationships with distributors. Top-class domestic market share for major infectious disease antigen test kits
- Through collaboration (co-promotion) with Shionogi, we will provide a comprehensive solution for infectious disease control, from prevention to testing to treatment, and further strengthen our position in the domestic infectious disease POCT market through synergy between Shionogi's sales force, which is strong in clinics, and our sales force, which is strong in hospitals.
- At present, through a sales partnership (co-marketing) with Roche Diagnostics, we aim to further increase our market share, focusing on combo test kits.
 A small, elite sales force works strongly with distributors
 Strengthening Sales Capabilities Further Through Collaboration with Shionogi



Collaborate with Shionogi's robust sales infrastructure
Seek to become the undisputed leader in the domestic POCT market

*1 Infectious diseases covered in the current situation are COVID-19 and influenza
 *2 Co-promotion: Parallel promotion of the same drug under the same brand by two or more pharmaceutical companies (usually two companies).
 *3 Received regulatory approval for COVID-19 vaccine (Source: Shionogi & Co., Ltd. press release on June 24, 2024)

*1 Including Jingu Yakuhin Co., Ltd. which merged in February 2024.

INDEX

01. Corporate Profile	P.02
02. Financial Results for 3rd Quarter of FY2026	P.11
03. Forecast of FY2026	P.22
04. Appendix.	P.29

Highlights for 3rd Quarter of FY 2026



- ✓ Regarding the estimated size of the domestic antigen test kit market in the cumulative third quarter period, COVID-19 single-use test kits declined by approximately 30% year-on-year due to the contraction in the scale of outbreaks. In contrast, influenza test kits increased by about 20%, while COVID-19/influenza combination test kits remained generally in line with the previous year.
- ✓ Although the market share of our main products remained generally stable, the market size of COVID-19 single-use test kits—where we hold a high share of 42%—declined. Meanwhile, our share in the increasingly important Influenza/COVID-19 combo test kit segment remains at 19%. Looking ahead to next fiscal year, we expect to expand our share through the launch of improved versions of Influenza/COVID-19 combo test kits.
- ✓ In the same period of the previous year, wholesalers increased their inventory of our antigen test kits. In contrast, during the current cumulative third quarter period, inventory adjustments progressed due to the reversal of this buildup. As a result, even in segments where market size remained strong—namely influenza test kits and Influenza/COVID-19 combo test kits—our sales declined year-on-year.
- ✓ Sales by major product category in the cumulative third quarter period declined year-on-year, with COVID-19 single-use test kits down 44.4%, influenza test kits down 31.1%, and Influenza/COVID-19 combo test kits down 46.0%.
- ✓ As a result, for the cumulative third quarter period, net sales amounted to ¥10,663 million (down 39.4% year-on-year), operating income was ¥3,509 million (down 62.4%), ordinary income was ¥3,344 million (down 64.0%), and net income was ¥2,443 million (down 63.2%).
- ✓ Net sales for the third quarter alone declined by 57.6% year-on-year to ¥2,386 million. However, in light of ongoing inquiries from wholesalers and continued progress in inventory normalization, we maintain the revised full-year earnings forecast announced on March 30, 2026.

Nine months Results for FY2026



- Net sales for the cumulative third quarter period decreased by 39.4% year-on-year to ¥10,663 million. This was primarily due to a roughly 30% year-on-year decline in the market size of COVID-19 single-use test kits, as well as the reversal of inventory accumulation by wholesalers in the prior-year period, leading to inventory digestion in the current period.
- As a result of the decline in net sales, gross profit decreased by 44.5% year-on-year, operating income by 62.4%, ordinary income by 64.0%, and net income by 63.2%. Profit margins at all levels also fell below those of the same period in the previous year.

(Millions of yen)	3Q FY2024/6		3Q FY2025/6		3Q FY2026/6		YoY
	Actual	Margin	Actual	Margin	Actual	Margin	
Net sales	16,371	-	17,607	-	10,663	-	(39.4%)
Gross profit	11,310	69.1%	12,685	72.0%	7,041	66.0%	(44.5%)
Operating income	8,226	50.2%	9,330	53.0%	3,509	32.9%	(62.4%)
Ordinary income	8,249	50.4%	9,296	52.8%	3,344	31.4%	(64.0%)
Net income	5,906	36.1%	6,645	37.7%	2,443	22.9%	(63.2%)
EBITDA	8,226	50.2%	9,864	56.0%	4,237	39.7%	(57.0%)

Sales by Main Products (Nine months Period)



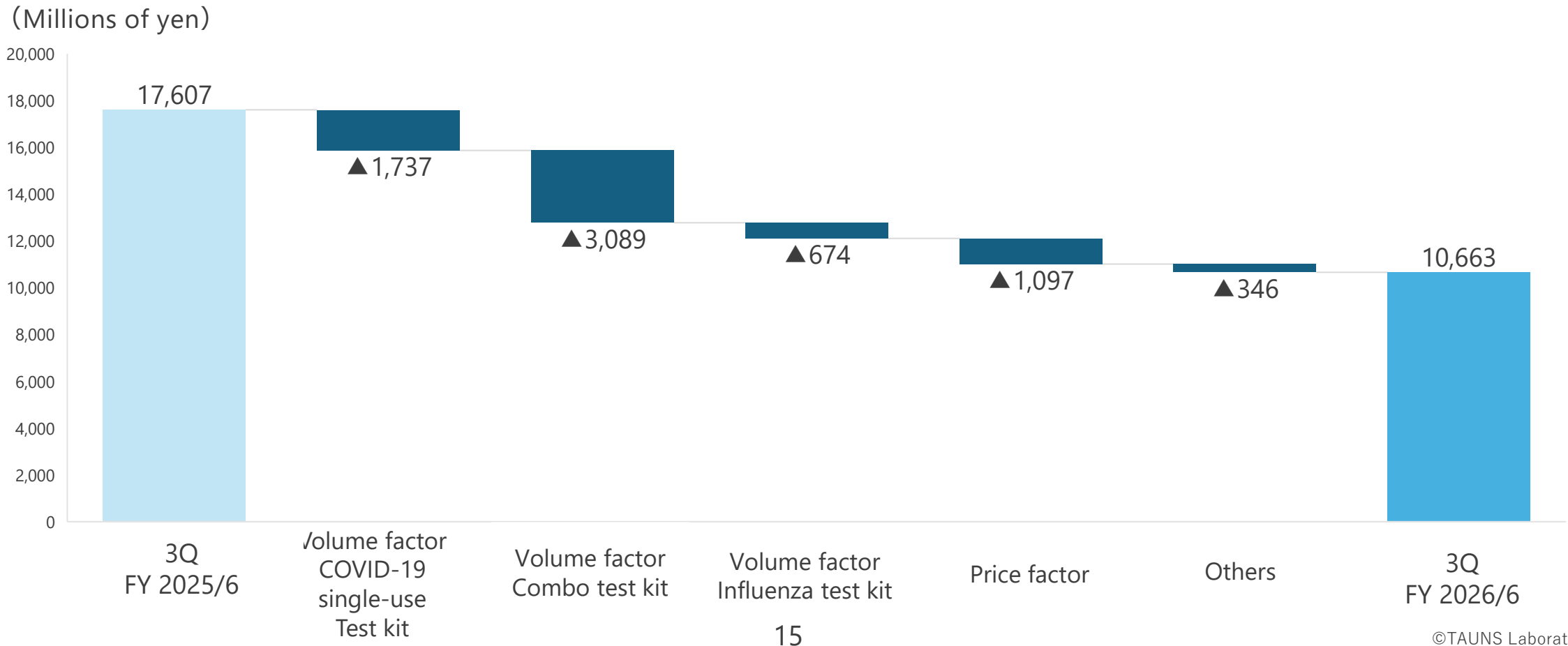
- During the cumulative third quarter period, the market size of COVID-19 single-use test kits declined by approximately 30% year-on-year. In addition, whereas wholesalers built up inventories of our antigen test kits in the prior-year period, inventory digestion progressed in the current period as a reaction to that buildup. As a result, sales of all major products fell below the levels recorded in the same period of the previous year.

(Millions of yen)	3Q FY2024/6		3Q FY2025/6		3Q FY2026/6		YoY
	Actual	Composition	Actual	Composition	Actual	Composition	
COVID-19 single-use test kits	3,957	24.2%	4,671	26.5%	2,596	24.4%	(44.4%)
Influenza/COVID-19 combo test kits	6,041	36.9%	7,728	43.9%	4,172	39.1%	(46.0%)
Influenza test kits	3,866	23.6%	3,253	18.5%	2,240	21.0%	(31.1%)
Others	2,505	15.3%	1,954	11.1%	1,654	15.5%	(15.4%)
Total	16,371		17,607		10,663		(39.4%)

Factors for Sales Increase/Decrease (Nine months period Comparison)



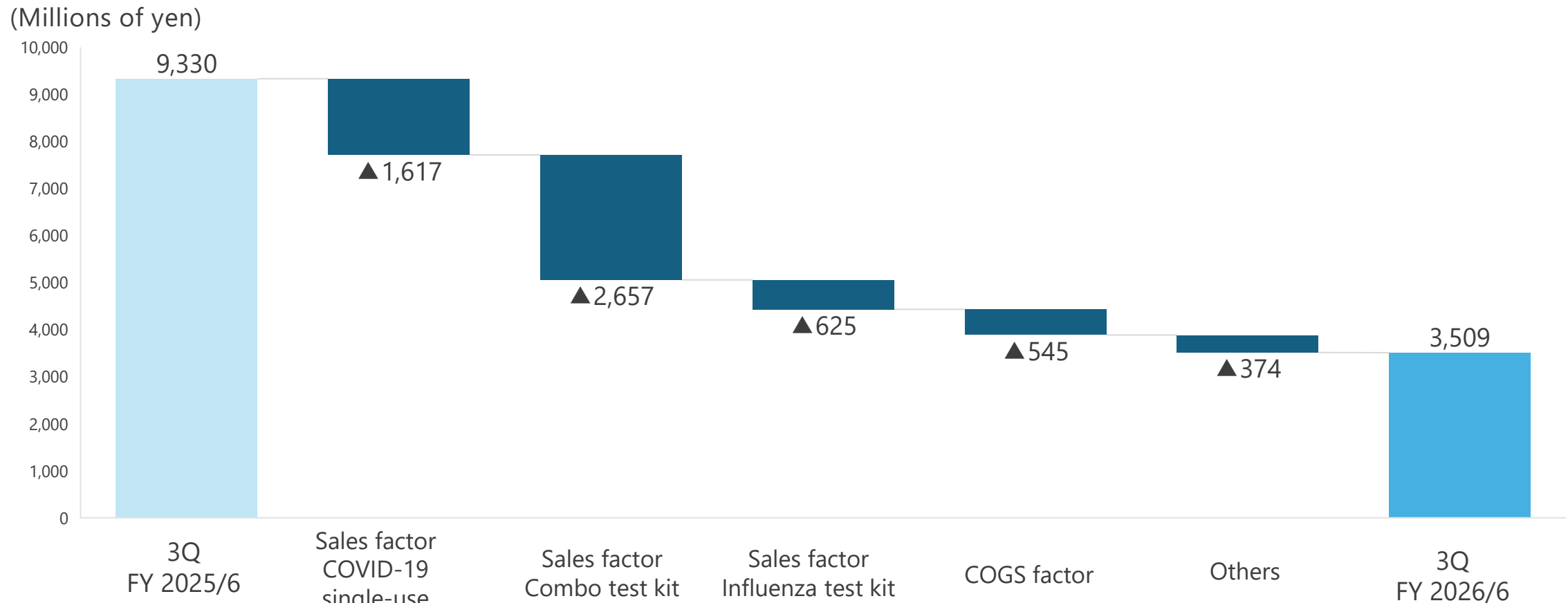
- The primary factor behind the decline in net sales was a decrease in sales volume of COVID-19 single-use test kits and Influenza/COVID-19 combo test kits.
- Meanwhile, declines in selling prices remained within the range initially anticipated at the beginning of the fiscal year.



Factors for Operating Income Increase/Decrease (Nine months Period Comparison)



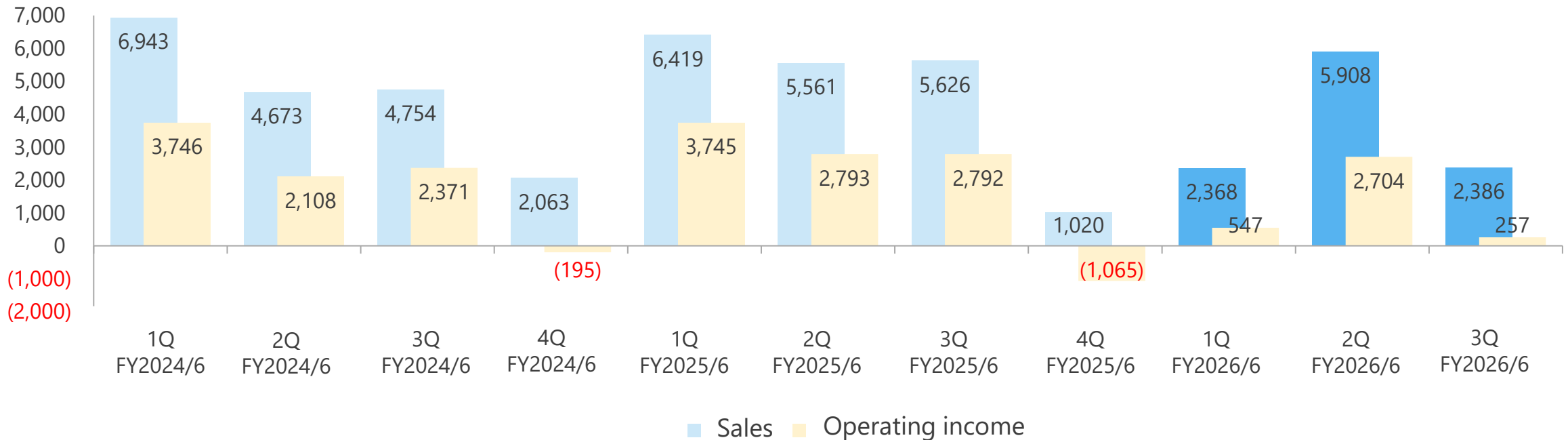
- Operating income declined, primarily due to a significant decrease in sales of COVID-19 single-use test kits and Influenza/COVID-19 combo test kits.



Quarterly Sales and Operating Income Trends



- Net sales for the third quarter (January to March) decreased by 57.6% year-on-year to ¥2,386 million. This was primarily due to a lower level of COVID-19 infections compared with the same period of the previous year, despite the continued spread of influenza, as well as the reversal of inventory buildup by wholesalers in the prior-year period, resulting in the digestion of inventories secured at year-end during the current period.
- Operating profit for the third quarter decreased by 90.8% year-on-year to ¥257 million, reflecting increased personnel expenses and higher depreciation costs, in addition to the decline in net sales.
(Millions of yen)



Sales by main products (Quarterly period (Jan.-Mar.))



- During the third quarter, sales of COVID-19 single-use test kits decreased by 44.2% year-on-year to ¥404 million, primarily due to the relatively limited scale of COVID-19 outbreaks.
- In addition, whereas wholesalers built up market inventory in the prior-year period, inventory secured at year-end was drawn down during the current period. As a result, sales of Influenza/COVID-19 combo test kits declined by 74.4% year-on-year to ¥805 million, and sales of influenza test kits decreased by 45.3% to ¥642 million.

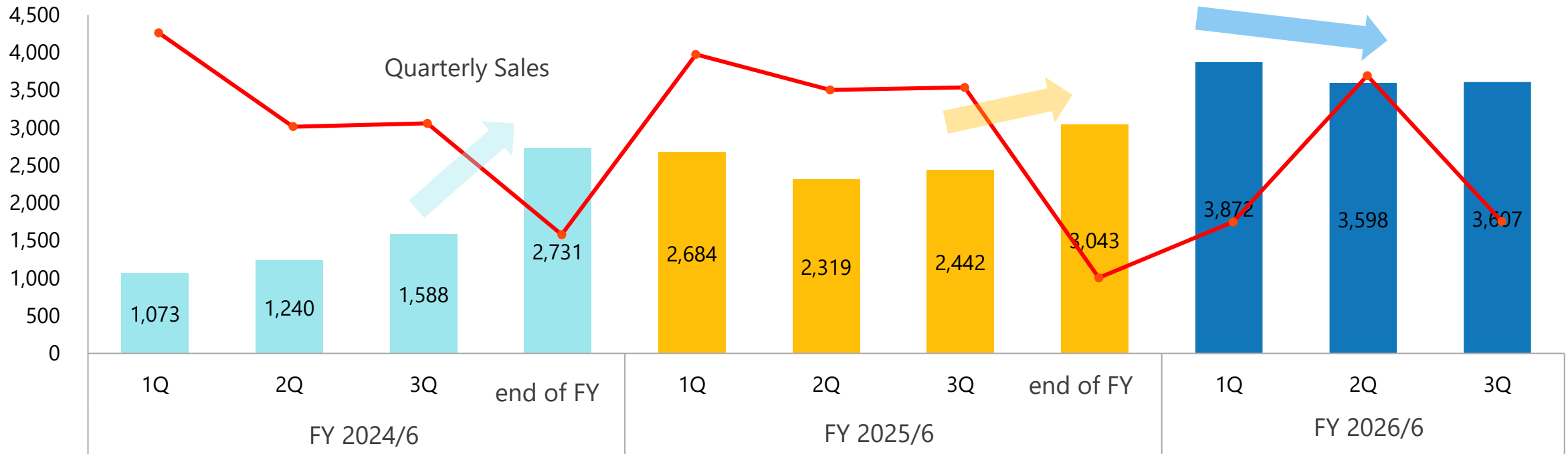
(Millions of yen)	3Q FY2024/6		3Q FY2025/6		3Q FY2026/6	
	Actual	Composition	Actual	Composition	Actual	Composition
COVID-19 single-use test kits	914	19.2%	725	12.9%	404	17.0%
Influenza/COVID-19 combo test kits	1,831	38.5%	3,148	56.0%	805	33.8%
Influenza test kits	1,177	24.8%	1,173	20.8%	642	26.9%
Others	831	17.5%	579	10.3%	533	22.4%
Total	4,754		5,626		2,386	

Inventory levels at the End of Each Quarter



- Inventory at the end of the third quarter remained at a sufficient level, maintaining readiness to respond to any sudden surge in demand.

(Millions of yen)

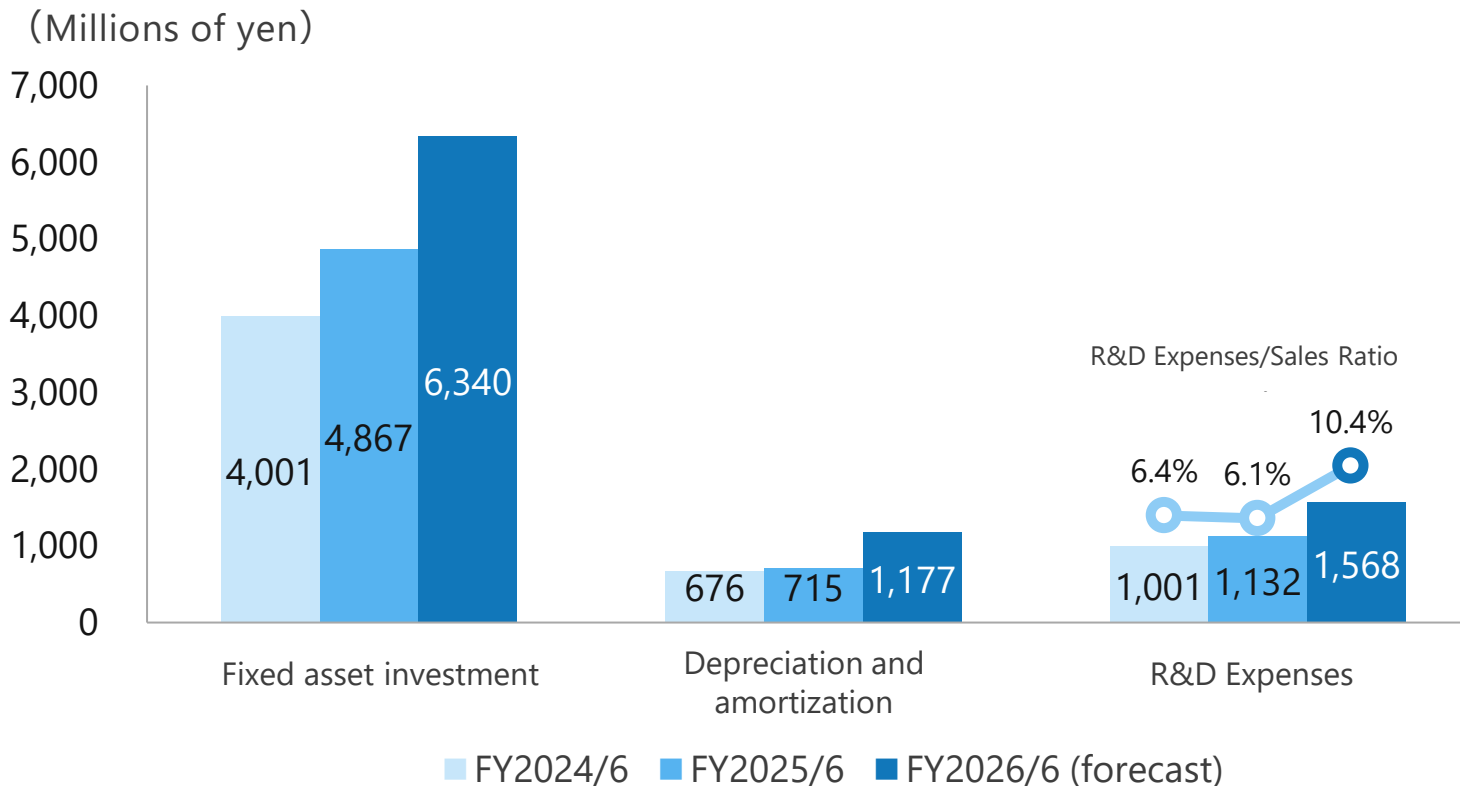


Investments

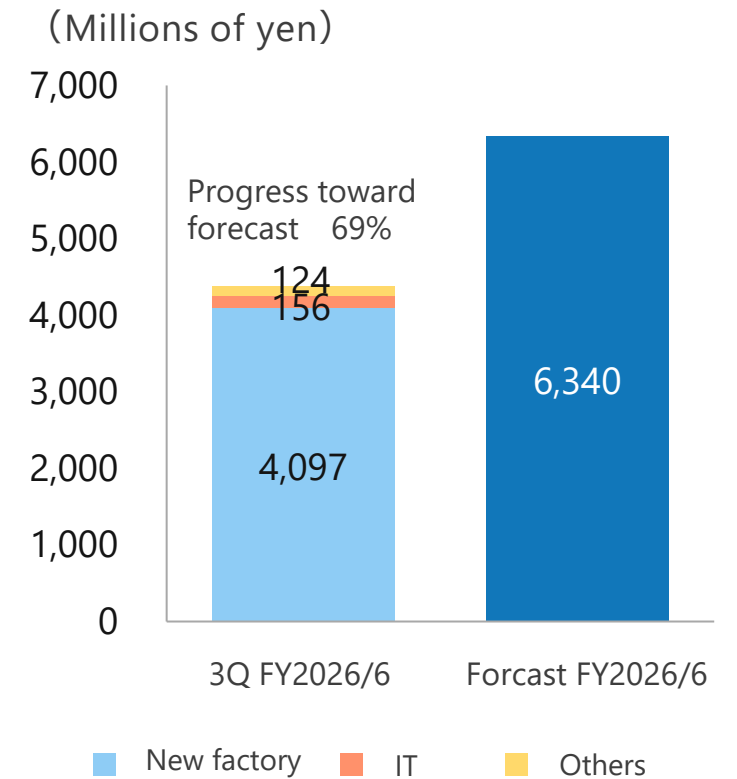


- **Capital expenditures for the fiscal year (property, plant and equipment and intangible fixed assets) are expected to total ¥6.34 billion.**
- **In addition to capital investments related to the new plant, which account for the majority, the Company is also undertaking necessary investments, including IT investments such as a new ERP system and equipment renewals.**

Investment Performance and Forecasts for the Current Period



Investment in fixed assets during the fiscal year



Balance Sheet



(Millions of yen)	3Q FY 2025/6	FY 2025/6	3Q FY 2026/6
Current assets	18,753	15,476	16,342
Cash on hand and in banks	8,580	9,266	5,890
Accounts receivable-trade	4,975	247	2,107
Merchandise and finished goods	2,442	3,043	3,607
Work in progress	1,161	1,515	2,076
Raw materials and supplies	1,409	1,324	1,369
Other	183	78	1,290
Fixed assets	18,881	21,038	25,105
Property, plant and equipment	12,151	12,279	15,449
Intangible fixed assets	3,865	3,836	3,686
Investments and other assets	2,863	4,922	5,969
Total assets	37,635	36,515	41,447

*1 The increase in investments and other assets is due to an increase in investment securities.

(Millions of yen)	3Q FY 2025/6	FY 2025/6	3Q FY 2026/6
Current liabilities	10,849	9,529	11,937
Accounts payable-trade	1,296	1,199	631
Short-term borrowings	4,500	4,500	7,500
Current portion of long-term borrowings	831	1,114	1,783
Accrued income taxes	1,547	842	89
Consumption tax payable	542	101	0
Other	2,131	1,771	1,932
Long-term liabilities	9,113	9,567	13,200
Long-term borrowings	8,300	8,809	12,422
Deferred tax liabilities	620	556	556
Other	193	202	221
Total liabilities	19,963	19,097	25,138
Net assets	17,672	17,417	16,308
Total liabilities and net assets	37,635	36,515	41,447

INDEX

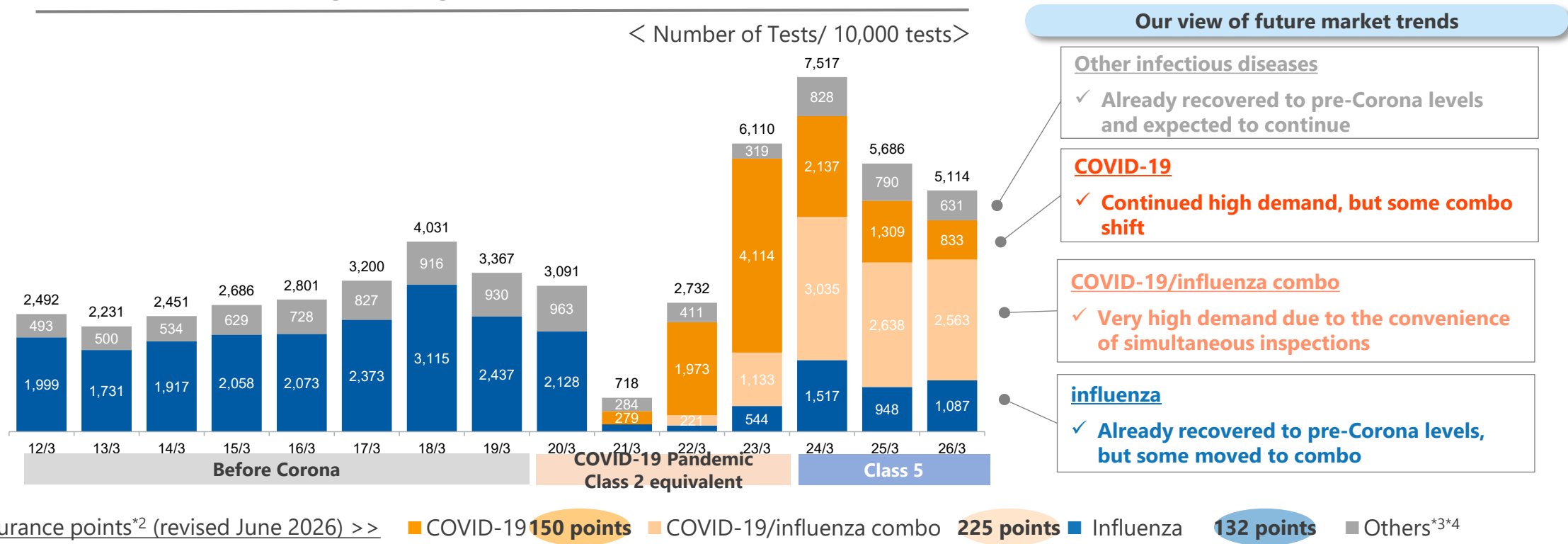
01. Corporate Profile	P.02
02. Financial Results for 3rd Quarter of FY2026	P.11
03. Forecast of FY2026	P.22
04. Appendix.	P.29

Domestic Antigen Testing Market for Medical Institutions Expanded through COVID-19 Pandemic



- Prior to the COVID-19 pandemic, the market size for antigen test kits for medical institutions in Japan remained at around 30 million tests annually, primarily driven by influenza testing.
- Following the pandemic, the adoption of COVID-19 single-use tests and combo tests has become established, resulting in a significant expansion of the market to approximately 75 million tests in FY ending March 2024. In FY ending March 2026, while the volume of COVID-19 single-use tests declined, the proportion of combo tests exceeded 50%.

Domestic infectious disease antigen testing market for medical Institutions (related to TAUNS)*1



Sources: IQVIA (market size); MHLW, "7th NDB Open Data" (number of insurance points)

*1 : Copyright © 2026 IQVIA. In-house calculation based on the period of JPM April 2011 to March 2026). Reprinted with permission. Figures for fiscal years ending March 2023, March 2024, March 2025 and March 2026 exclude pharmacy sales.

*2: Insurance points for COVID-19, the COVID-19/Influenza combo, and Influenza have remained unchanged since the revision in June 2024. Other diseases are the insurance points as of June 2026, the latest period of NDB open data.

*3: Breakdown of Others (insurance points in parentheses): RS virus (138 points), adenovirus (179 → 174 points), streptococcus (121 points), mycoplasma (FA method 170 points / immunochromatography 148 points), human metapneumovirus (142 → 141 points)

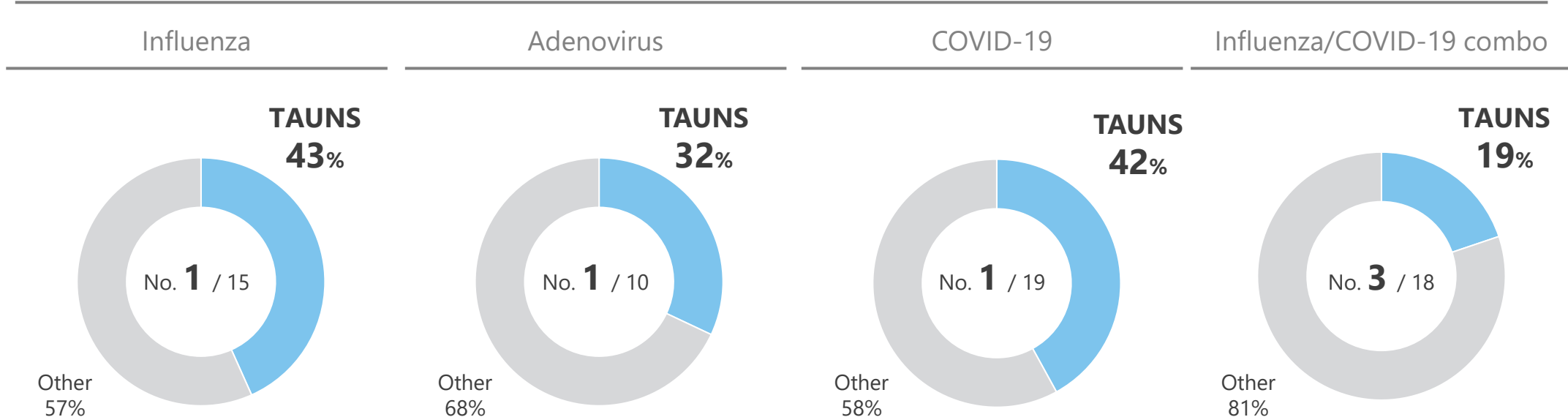
*4: Data from FY 2017/3 onward for mycoplasmas and FY 2013/3 onward for human metapneumovirus.

High Market Share and Room for Expansion



- The Company has maintained leading market share in test kits for influenza, adenovirus, and COVID-19.
- In Influenza/COVID-19 combo test kits, while the Company's market share has remained stable, it has declined from second to third place compared to the previous fiscal year due to share gains by competitors.
- The Company recognizes expanding its share in the increasingly important combo test kit segment as a key priority, and expects to grow its share in the next fiscal year through measures such as the launch of improved combo test kits.

Share of the domestic market for antigen test kits for medical institutions for major respiratory infections*1



*1: Copyright © 2026 IQVIA. In-house calculation based on the period of JPM (July 2025 - March 2026) to confirm the Company's share for the 3rd quarter of FY2026. Reprinted with permission. All rights reserved. Share is calculated as the ratio of the Company's number of inspections during the relevant period divided by the overall number of inspections during the relevant period.

- On March 30, 2026, the Company announced a revision to its full-year earnings forecast.
- The revised forecast includes the recognition of a subsidy related to the new plant as special gains.

(Millions of yen)	FY 2025/6 Forecast (1)	FY 2025/6 Actual (2)	FY 2026/6 Forecast (3)	YoY (3)/(2)	Margin
Net sales	19,273	18,627	15,048	80.8%	-
Operating income	8,308	8,265	4,368	52.8%	29.0%
Ordinary income	8,316	8,219	4,127	50.2%	27.4%
Net income	6,019	6,315	5,692	90.1%	37.8%

Progress of operating results



- The progress toward the full-year net sales forecast for the cumulative third quarter period remained at 70.9%. However, in light of recent inquiry trends from wholesalers and the ongoing normalization of market inventories, the Company has maintained the revised full-year earnings forecast announced on March 30, 2026.

(Millions of yen)	FY 2025/6			FY 2026/6		
	Full Year Results	3Q Results	vsFY	Full Year Forecast	3Q Results	vfForecast
Net sales	18,627	17,607	94.5%	15,048	10,663	70.9%
Operating income	8,265	9,330	112.9%	4,368	3,509	80.3%
Ordinary income	8,219	9,296	113.1%	4,127	3,344	81.0%
Net income	6,315	6,645	105.2%	5,692	2,443	42.9%

Shareholder Return Information



- A progressive dividend policy has been introduced, starting at ¥28 per share for the fiscal year ending in June 2026 and beyond. Accordingly, the allocation between the interim and year-end dividends was changed from the previous policy in November 2025.

(Yen)	Interim dividend	Year-end dividend	Annual dividend	Remarks
FY 2024/6	6.00	21.75 ^{*1}	27.75 ^{*1}	Special dividend of 11.10 yen per share to commemorate listing on the Tokyo Stock Exchange Standard Market
FY 2025/6	6.00	22.00 ^{*2}	28.00 ^{*2}	Special anniversary dividend of 10.00 yen per share will be paid at the end of the FY to celebrate the 10th anniversary of the Company's establishment.
FY 2026/6 (Forecast announced on August 13, 2025)	6.00	22.00	28.00	Introduce a progressive dividend starting at 28 yen during the mid-term management plan period beginning in June 2026.
FY 2026/6 (Forecast revised on November 14, 2025)	14.00	14.00	28.00	Revised forecast. Annual dividend remains unchanged.

*1: 11.10 yen is included as a commemorative dividend for the new listing.

*2: 10.00 yen (planned) is included as a commemorative dividend for the 10th anniversary of the Company's establishment.

INDEX

01. Corporate Profile	P.02
02. Financial Results for 3rd Quarter of FY2026	P.11
03. Forecast of FY2026	P.22
04. Appendix.	P.29

Evaluation Elements of Antigen Test Kits



- The main evaluation factors for antigen test kits are as follows. Our company has established a competitive advantage in terms of testing accuracy and other factors.

Accuracy (Sensitivity·Specificity)

- Sensitivity (percentage of positive cases that are correctly identified as positive)
- Specificity (percentage of negative cases that are correctly identified as negative)
- Sensitivity and specificity are trade-offs, and it is difficult to achieve both at high levels, but we have been able to do so with our unique technology.

Cost (product price)

- Set the suggested retail price (disclosed by each company) within medical fee points
- The actual market price (not disclosed by each company) is the list price minus discounts to wholesalers, etc.
- Example: For a COVID-19 single-use test kit with a medical fee point value of 150 points (equivalent to 1,500 yen), our suggested retail price 1,400 yen per test.

Testing time

- Although it varies depending on manufacturer/product, antigen tests generally produce results faster than PCR tests.
- Our influenza test kit takes 5 minutes, our COVID-19 single-use test kit takes 10 minutes, and our combo test kit takes 15 minutes.

Length of validity

- We are designing formulations that will enable long-term storage, taking into account aging deterioration.
- For our products, the influenza test kit is 27 months, the COVID-19 single-use test kit is 18 months, and the combo test kit is 12 months.

Sample types

- The main types of samples are nasopharyngeal swabs, nasal swabs, and throat swabs
- The accuracy of the test and the invasiveness (burden on the patient) vary depending on type of sample. There is a tendency for high test accuracy and low invasiveness to be trade-offs.

Simplicity of procedure

- The ability to perform tests easily, even by technicians who are not highly skilled, is particularly important in clinics.
- Antigen tests generally require fewer steps than PCR tests and are a simple testing method, visible to the eye .

Outlook for Demand for Testing of COVID-19 in Japan



- **COVID-19, in comparison to influenza viruses, is characterized by its strong infectivity, difficulty in acquiring immunity, and multiple outbreaks per year.**
- **Cases of COVID-19-related deaths, including those associated with complications of underlying cardiovascular disease, continue to occur. As a result, robust demand for testing is expected to continue for the foreseeable future.**

	influenza	COVID-19
Factors suggesting continued prevalence of COVID-19 infections	Infectivity <ul style="list-style-type: none"> • COVID-19 contrast, weakly infectious. • The basic reproduction number (R_0)*1, an indicator of transmissibility, is approx. 1.3. 	<ul style="list-style-type: none"> • Comparatively stronger than influenza viruses. • The initial Wuhan strain had an R_0 of approx. 3.0, and the R_0 in subsequent mutants has remained even higher.
	Immunity decay rates / Emergence of immune-evasive strains <ul style="list-style-type: none"> • Epidemic strains appear every year; immunity can be acquired through vaccination or infection, and instances of repeated infections by the same individual within one season*2 are rare. 	<ul style="list-style-type: none"> • Faster decay rate of immunity and emergence of immune-evasive strains compared to influenza viruses. • Individuals can be infected more than once in a year.
	Seasonality <ul style="list-style-type: none"> • Seasonal patterns observed, with epidemics typically occurring during the winter months. 	<ul style="list-style-type: none"> • Current evidence does not confirm seasonality; multiple epidemics possible in a single year.
Factors suggesting continued demand for COVID-19 infection tests	Fatality rates / Number of deaths <ul style="list-style-type: none"> • Fatality rates consistent. • Annual no. of deaths in Japan in a typical year estimated to be approx. 10,000. 	<ul style="list-style-type: none"> • Fatality rates consistent; many fatalities due to complications with cardiovascular conditions. • Approx. 50,000 deaths reported in Japan in 2023 *.³

(Sources) COVID-19 Infection Control Advisory Board. "Characteristics of COVID-19 and Medium- to Long-Term Risks"; MHLW website " Frequently asked questions about novel influenza viruses."

*1: The basic reproduction number (R_0) is an estimated value representing the average number of secondary infections generated by one infected The basic reproduction number (R_{95}) is an estimated value representing the average number of secondary infections generated by one infected individual within a population completely lacking immunity to a specific infectious disease.

*2: The MHLW defines an influenza "season" as the period from September to April when the number of infections typically increases.

*3: Number of COVID-19-related deaths is based on data obtained from Death Certificates (autopsy reports) (Column I or II)

Production Strengthened by the Establishment of New Factory



- In February 2026, the new factory, Fujisan Mishima Factory (Mishima-shi, Shizuoka) , started full-scale operations. This initiative strengthens the production capacity essential for growth while enhancing BCP systems. It also aims to maintain high quality standards while reducing costs, through factory automation and increased in-house production.

Purpose of Establishment

Start of Operations (Phase I Construction)

Investment Amount

In addition to strengthening the production capacity of existing products, we will also achieve the manufacturing of products related to new platforms.

Full-scale operation begins in February 2026

11.29 billion yen

Company cost is 7.29 billion yen due to subsidies (Land has already been acquired)

Depreciation burden due to new factory investment is about +400 million yen/year

1

Strengthening of production capacity

- Increase the production capacity
Approx. 1.3 million tests/month*1
- **Approx. 3.9 million tests/month** *1
- Maximum monthly production in FY2024 was 312% of capacity, a large load to cope with.
- Enable production of new platform products (D-IA, etc.) that cannot be manufactured at the Kamishima Factory.



2

Quality management and cost reductions through FA and inhouse production

- Promote factory automation to reduce labor costs while maintaining high quality.
- Lower manufacturing costs by improving the total inhouse manufacturing capacity and reducing the number of processes that were previously outsourced.



3

Secure warehouse space / logistics cost savings

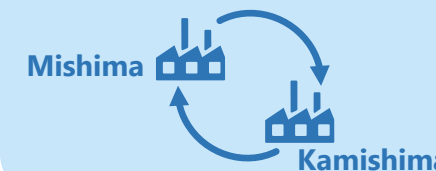
- Secure a large site to use as warehouse space for test kits.
- Reduce warehousing/logistics costs by eliminating the need for inventory storage at a conventional external warehouse.
- With factory automation in the warehouse, the number of cargo receivers can be reduced to 1/6 of the previous number.



4

BCP

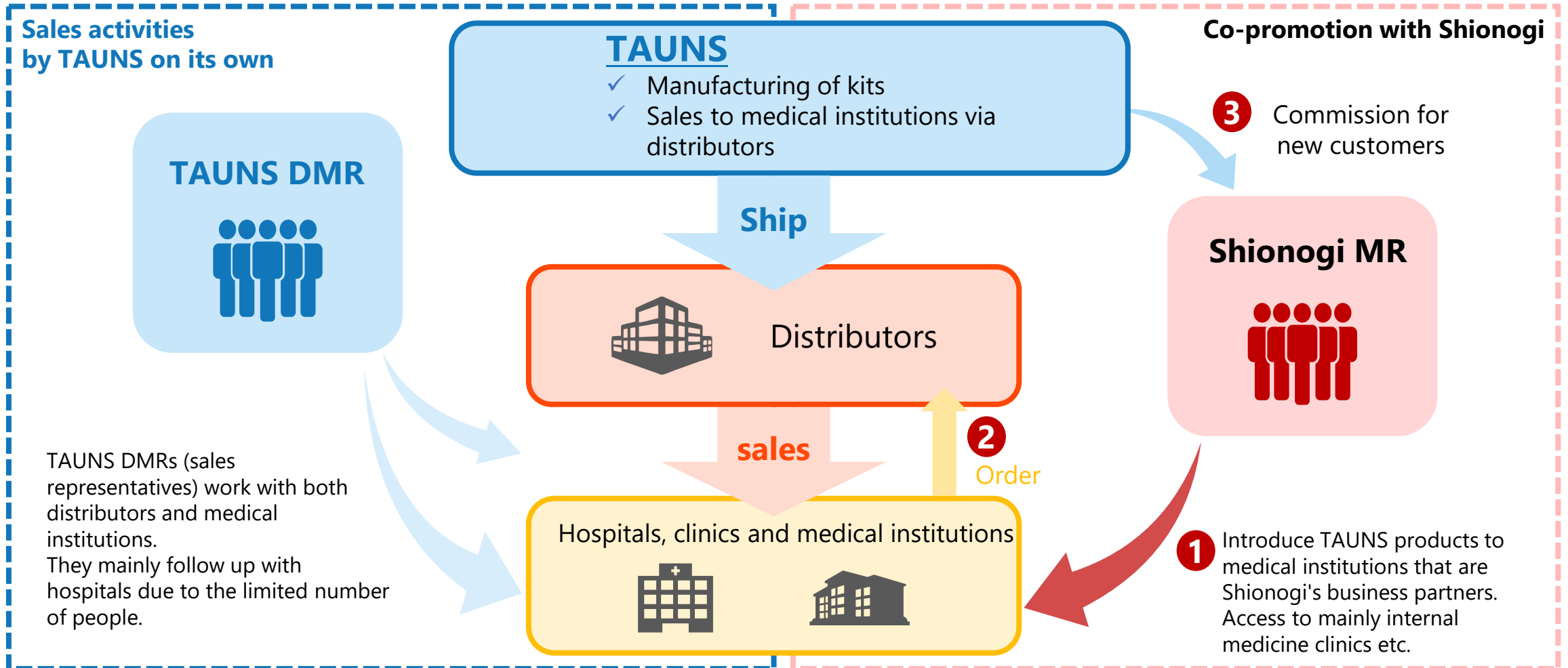
- Implement two production sites instead of the current system of only one production site.
- Ensure business continuity in the event of an emergency, avoid production outages.
- Equipped with higher earthquake resistance than the current Kamishima Factory.



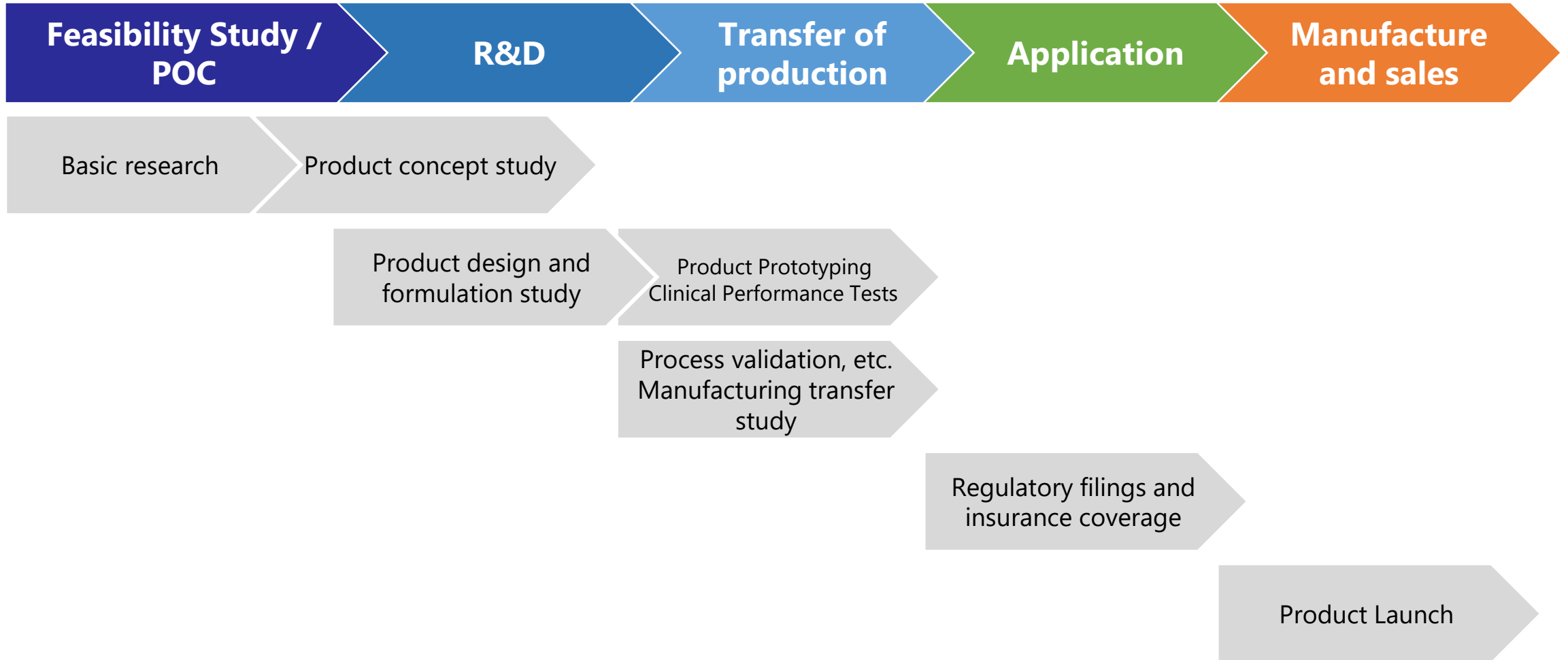
*1: Monthly production capacity is calculated based on the assumption that the company operates only during the daytime on weekdays and minimizes outsourcing.

Our Distribution and Collaboration with Shionogi

- Shionogi introduces our products to medical institutions and contributes to raising awareness of them.
- Medical institutions place orders for our products with wholesalers, and TAUNS pays Shionogi a commission commensurate with its contribution.



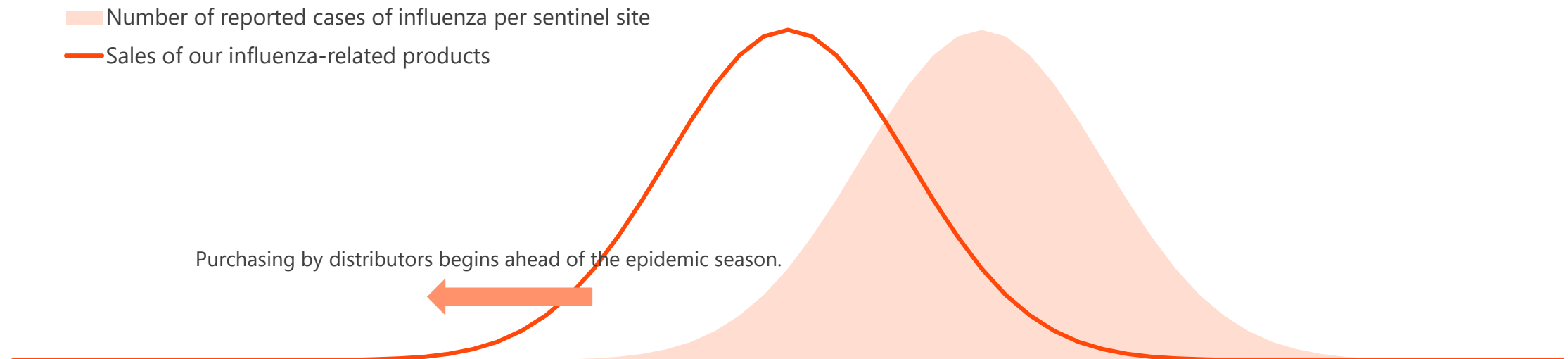
Product Launch Process



Epidemic Period of Infectious Diseases and Our Revenue (Image)

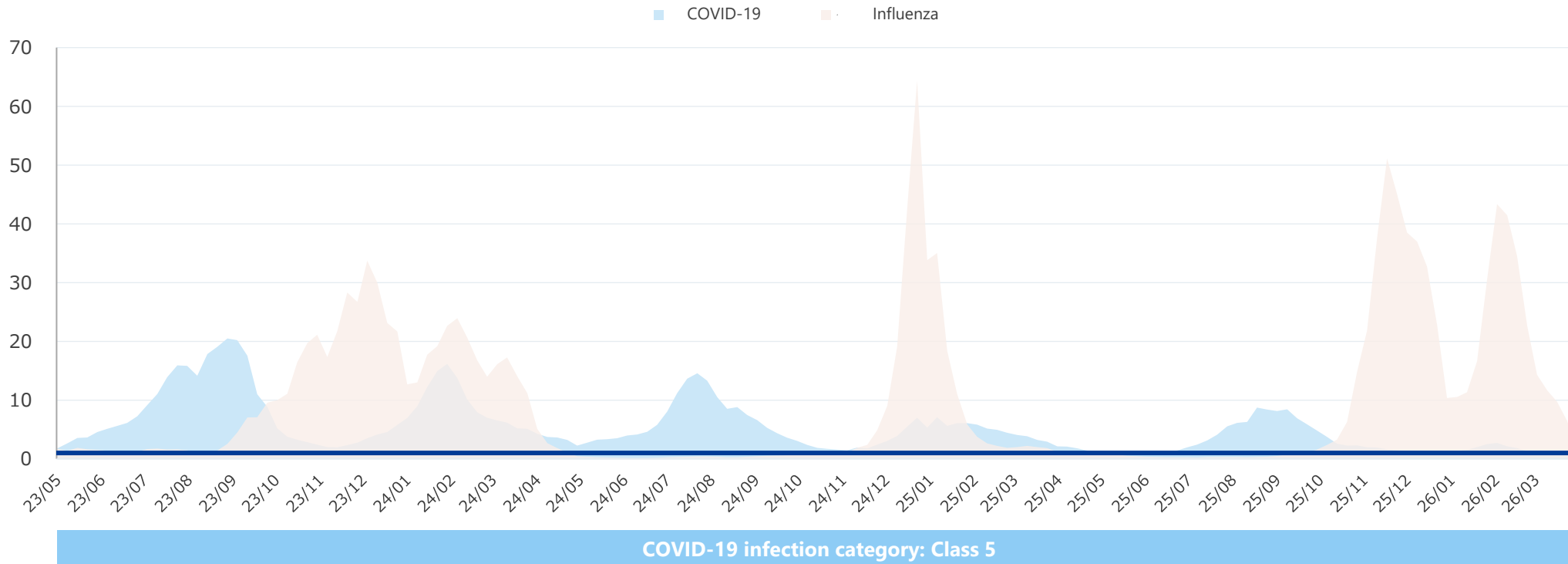
- For seasonal infectious diseases such as influenza, distributors tend to peak their purchases (≡recorded as sales by the Company) ahead of the peak of the epidemic.
- Seasonal respiratory infections can occur at different times of the year, and our income peaks at different times depending on the timing of the epidemic.

Infectious Disease Epidemic Periods and Our Revenue (Image Chart)



COVID-19 and Influenza Epidemics after the Transition to Class 5

- According to the number of reported cases per sentinel site*, COVID-19 infections have continued at a certain level, despite repeated cycles of expansion and contraction in outbreak scale.
- During the cumulative third quarter period of the fiscal year ending June 2026 (July 2025 to March 2026), the level of COVID-19 outbreaks declined compared to the same period of the previous year. In contrast, influenza entered its epidemic season earlier than usual, around September, resulting in a higher level of outbreaks year-on-year.



1.0
Influenza
"epidemic
season"
guidelines

(Source : Ministry of Health, Labour and Welfare, "Outbreak of COVID-19" and "Press release on influenza".

*: Number of reports per sentinel sites is the weekly number of patient reports from all fixed-point medical institutions divided by the number of sentinel sites and is the average weekly number of infected patients reported per medical institution. Showing the number of reports per sentinel sites nationwide.

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