



EIKEN CHEMICAL CO.,LTD.

Financial Results for Q2 FY2025

(April 1, 2025 to September 30, 2025)

EIKEN CHEMICAL CO., LTD. (Code: 4549)

October 30, 2025

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Financial Results for Q2 FY2025

Executive Summary

■ External Environment

- ✓ The impact of soaring global commodity prices, geopolitical risks, U.S. trade policies, and monetary policies of major countries
- ✓ Continued rise in costs such as logistics and raw material procurement

■ The Company's Business Results

- ✓ Sales and profit increased, driven mainly by strong performance in fecal immunochemical test (FIT) reagents, urinalysis and medical devices for overseas market
- ✓ Recorded a special gain from the transfer of shares in a consolidated subsidiary

■ Other

- ✓ Relocated head office from Taito-ku to “Ochanomizu Sola City” in Chiyoda-ku, Tokyo
- ✓ Established a local subsidiary in China for marketing and research
- ✓ Participated in TICAD9 (the 9th Tokyo International Conference on African Development) to promote the value of products such as TB-LAMP in Africa
- ✓ Retired 4 million treasury shares

Consolidated Financial Results—YoY Change

	Q2 FY2024 Results	Q2 FY2025 Results	Amount of Change	Percentage of Change	Millions of yen	
					FY2025 Forecast	
					Amount	Progress rate
Net sales	19,729	20,430	700	3.6%	42,200	48.4%
Cost of sales	11,522	12,059	536	4.7%	25,150	47.9%
Gross profit	8,207	8,371	164	2.0%	17,050	49.1%
SG&A expenses	6,640	6,642	2	0.0%	13,800	48.1%
Operating profit	1,566	1,729	162	10.4%	3,250	53.2%
Ordinary profit	1,698	1,730	31	1.9%	3,100	55.8%
Net profit	1,309	2,979	1,670	127.5%	3,770	79.0%
R&D expenses	2,036	1,875	(161)	(7.9%)	4,040	46.4%

- Sales and profit increased, driven mainly by strong performance in FIT reagents, urinalysis and medical devices for overseas market
- Recorded a special gain of ¥2 billion from the transfer of shares in a consolidated subsidiary
- No change to the full-year earnings forecast

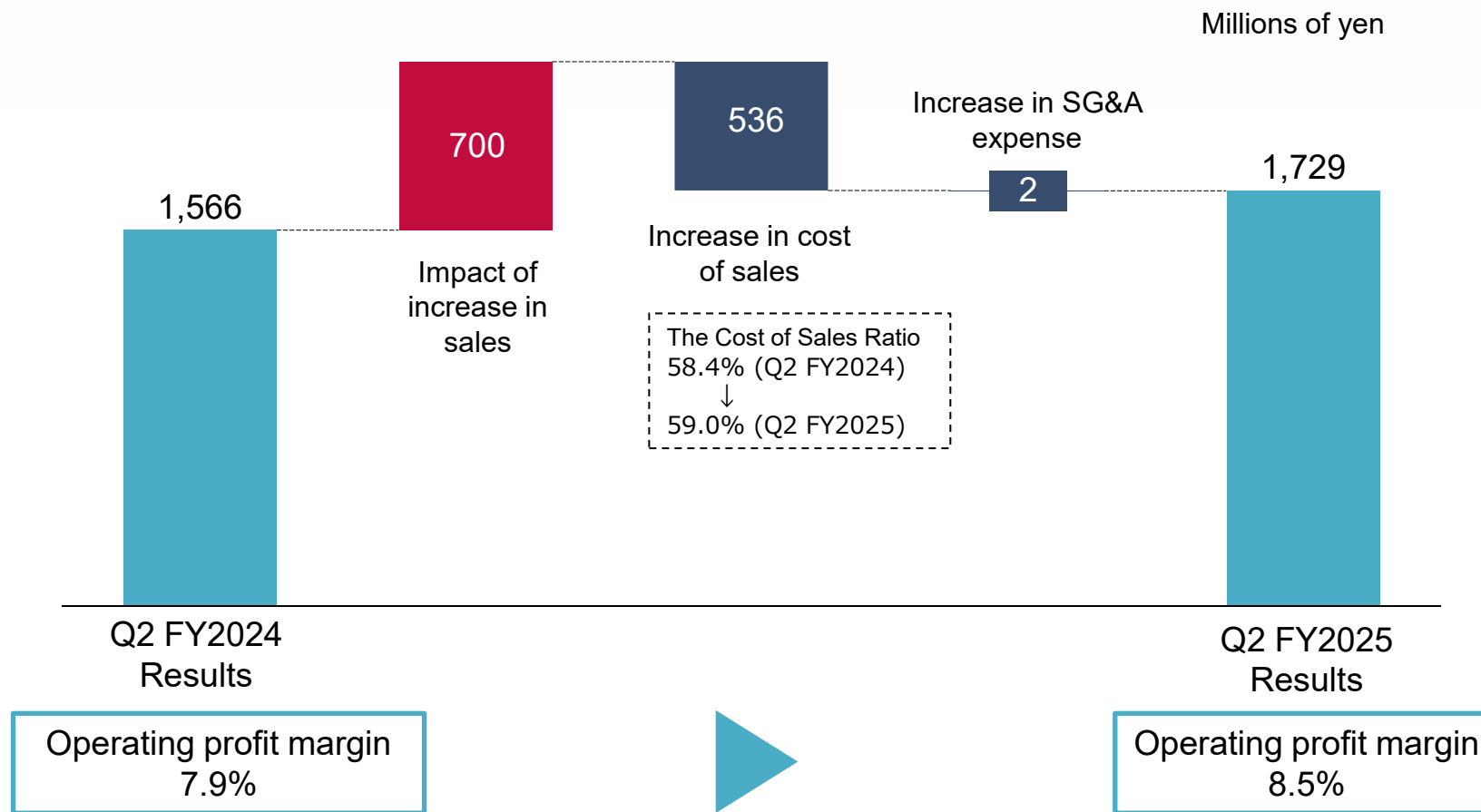
Financial Results for Q2 FY2025

Sales Results by Region —YoY Change

	Q2 FY2024 Results	Q2 FY2025 Results	Amount of Change	Percentage of Change	Millions of yen	
					FY2025 Forecast	
					Amount	Progress rate
Fecal immunochemical tests (FIT)	6,613	6,858	244	3.7%	13,640	50.3%
Immunological and serological excluding FIT	4,870	4,886	16	0.3%	9,680	50.5%
Urinalysis	2,293	2,362	69	3.0%	4,740	49.8%
Microbiological	2,194	2,148	(45)	(2.1%)	4,900	43.8%
Clinical chemistry test	295	300	4	1.6%	610	49.2%
Equipment/ Food and Environment	1,001	949	(51)	(5.2%)	1,860	51.1%
Molecular test	712	1,012	299	42.0%	2,440	41.5%
Medical devices/Others	1,748	1,912	163	9.4%	4,330	44.2%
Total	19,729	20,430	700	3.6%	42,200	48.4%

- Overseas sales of FIT, Urinalysis, and medical devices remained strong
- Molecular test segment saw increased revenue due to temporary royalty income
- TB-LAMP orders from Nigeria resumed, but the impact of USAID program closure continues

Breakdown of Operating Profit



Operating profit improved compared to the same period last year, driven by sales growth and efficient expense management
The cost of sales ratio increased due to rising logistics and raw material procurement costs

Financial Results for Q2 FY2025

Sales Results by Region —YoY Change

	Q2 FY2024 Results	Q2 FY2025 Results	Amount of Change	Percentage of Change	Millions of yen	
					FY2025 Forecast Amount	Progress rate
Domestic Sales	14,831	14,981	149	1.0%	30,150	49.7%
Overseas Sales	4,898	5,449	551	11.3%	12,050	45.2%
Overseas Sales Ratio	24.8%	26.7%	—	—	—	—
Total	19,729	20,430	700	3.6%	42,200	48.4%
Americas	1,243	1,216	(27)	(2.2%)	2,530	48.1%
EMEA	1,715	2,109	393	22.9%	5,260	40.1%
APAC	1,938	2,123	185	9.6%	4,260	49.8%

Overseas sales increased due to FIT reagents and devices in major countries compensating for the decline in TB-LAMP

(Americas)

- ✓ Despite a slight dip in sales, the trend of increasing demand continues due to the expansion of the target age group, endoscopic triage, and the shift from chemical methods to immunochemical methods

(EMEA)

- ✓ Continuously acquired national screening programs in England and France
 England : Starting in July 2026
 France : Starting in January 2026
 In France, distribution of sampling bottles to all eligible individuals
- ✓ FIT sales recovered from last year's temporary decline, with steady growth across countries driven by expanding target age groups and increasing sampling bottle distribution
- ✓ Sales of TB-LAMP delayed due to USAID program closure

(APAC)

- ✓ Sales of urinalysis and devices remains stable

Americas: North and Central/South America

EMEA: Europe, Africa, the Middle East, and Russia (TB-LAMP for developing countries is included in the EMEA region)

APAC: Asia and Oceania [All sales of overseas urinalysis test strips (in partnership with Sysmex Corporation) are included in the APAC region]

Initiatives to Enhance ROIC – Progress Update

Strengthening Earning Power

	Measures	Operating profit margin Improvement target for FY2027	Progress in Q2 FY2025
Cost reductions	• Focus investment in main, profitable and developing product groups • Launch and expansion of new and improved products • Liquidate and withdraw from low-earning product groups • Consolidate and eliminate product dosage forms • Increase accuracy of demand forecasts • Reduce plant loss costs • Consolidate production sites for urinalysis tests and immunological and serological tests into Nogi Plant • Work toward data-driven smart factories	+2.0 pt	✓ Launched sales enhancement measures for earning products POCT (Adenovirus and Streptococcus A) ✓ Increased sales of core product FIT due to expanded target age group in overseas markets ✓ Sales growth in the EMEA region driven by expanded promotion of Calprotectin ✓ Improved cost of sales by revising prices of 137 low earning products, including powdered media and instruments, to appropriate market levels ✓ Consolidated production of urine test reagents from China to Nogi Plant, improving cost of sales for urine test strips
SG&A expense reductions	• Optimize outsourced research expenses based on product portfolio • Optimize staffing structures and plans to raise labor productivity	+3.2 pt	✓ Personnel cost ratio to sales: down 0.6pt YoY

(Ref.) Operating Profit Margin FY2025 Actual: 7.4% → FY2028 Target: 12.6%

Increased capital efficiency

Optimization of the Cash Conversion Cycle (CCC)

FY2024: 106 days → FY2025 target: 102 days (Ref.) FY2027 target: 85 days

Progress Q2 FY2025 and Measures for Full-Year Targets:

Accounts Receivable Turnover Period

- ✓ By gradually shifting transactions with major clients to electronic receivables, we shortened the lead time to monetization by approximately four days, thereby strengthening cash flow

Inventory Turnover Period

- ✓ Due to order delays for TB-LAMP following the closure of USAID program, inventories of raw materials and intermediate products temporarily increased
- ✓ Additionally, equipment inventories rose in accordance with contractual obligations with business partners
- ✓ From October onward, inventory levels are being reduced through planned shipments of TB-LAMP and equipment sales

Asset optimization

- ✓ Transfer of Equity in EIKEN CHINA CO., LTD.
Recorded a gain of approximately ¥2.0 billion as special income in Q2 FY2025

Financial Optimization

Optimal capital structure and appropriate equity

- ✓ Capital adequacy ratio (as of the end of September 2025) **69.3%**

(Ref.) Capital adequacy ratio target of 70% or less

Shareholder Returns

- ✓ FY2025 Interim dividend: **¥29** (annual dividend: ¥58 forecast)
- ✓ Completed the acquisition of 2 million shares (October 2024 to June 2025)
(Ref.) Shareholder return policy: Target of 50% or more of total return ratio

Retirement of treasury shares

- ✓ Number of shares retired: 4,000,000 shares (Scheduled retirement date: November 14, 2025)
- ✓ Total number of shares outstanding after retirement: 34,541,438 shares (before retirement: 38,541,438 shares)
- ✓ Number of treasury shares held after retirement: 1,573,237 shares
- ✓ Treasury share ownership ratio: 14.5% before retirement → 4.6% after retirement

Treasury shares retire in principle, except for portions with clearly defined purposes.

Remaining treasury shares will be used as restricted stock compensation for executives and employees to enhance corporate value.

CEO's Caravan Program

New CEO Segawa (appointed June 2025) began CEO's caravan program visiting all business locations to meet with all employees

- ✓ Aimed at boosting employee motivation to achieve medium-term management plan goals
- ✓ Explained the importance of the company's ROIC-driven management approach
- ✓ In the first half of the fiscal year:

Town Hall Meetings: 16 out of 23 sessions held

Roundtable Discussions: 20 out of 29 sessions held, with a total of 206 participants



Topics

1. Head Office Relocation
2. Establishment of a Local Subsidiary in China
3. Participation in TICAD9
4. Strengthening of Corporate Governance Framework
5. Promotion of Sustainability Strategy
6. Corporate Public Relations Activities

1. Head Office Relocation

New head office location: 20th floor, Ochanomizu Sola City, 4-6 Kanda Surugadai, Chiyoda-ku, Tokyo

Aim of the Relocation

1. Office Design Supporting Diverse Work Styles
2. Consideration for Employee Comfort and Well-being
3. Commitment to Environmental Sustainability
4. Enhanced Stakeholder Engagement



2 . Establishment of a Local Subsidiary in China

Purpose of Establishment

To establish a local subsidiary in China with marketing functions and research support capabilities for Eiken Chemical, thereby contributing to the expansion and development of our business in China

Company Profile

Name	EIKEN MEDICAL SHANGHAI COOPERATION
Date of Establishment	May 20, 2025
Capital	RMB 500,000
Capital Structure	100% owned by Eiken Chemical Co., Ltd.
Fiscal Year End	December 31
Representative	Chairman of the Board Yasuyoshi Mori
Adress	Office 2279,22F,No.1193 Changning Road, Changning Distict, Shanghai. China 200051

Business

Marketing and research for diagnostics drugs, medical equipment and scientific instruments

Marketing

Market Research

- ✓ Market analysis of the healthcare sector in China, including clinical diagnostics

Technical Research

- ✓ Technology trends survey: China-origin innovations and Western technology adoption

Research Support

Local technical/ product evaluation

- ✓ New technology assessment

Contracted services provided by the Company

- ✓ Support for cutting-edge local research and assistance in data acquisition

3. Participation in TICAD9

- Promoted the value of TB-LAMP and other products as part of infectious disease support in Africa (Aug. 20–22, 2025, PACIFICO Yokohama)
- Enhanced understanding among government delegations from African countries and international organization representatives regarding the potential contributions of our technology.
- Strengthened foundation for future collaboration in Africa

【Official Thematic Event】

- Organizers: Stop TB Partnership and Ministry of Health, Labour and Welfare “Together for Africa: Driving Health Innovation to End TB with Japan”
- Organizer: Malaria No More Japan “Tackling Africa’s Malaria Crisis: Japanese Innovation and Technology as Catalysts for Change”
- Organizer: Japan Institute for Health Security, JIHS “A Decade of the Project for Global Growth of Medical Technologies in Africa – Past Achievements and the Way Forward –”



Post-TICAD9

Strengthening Global Collaboration Post-TICAD9

- Hosted meeting in Germany with African ambassadors and exchanged views on TB control challenges (Oct. 2025)
- Donated TB-LAMP starter kits to support implementation and healthcare access

Recognition of TB-LAMP as a technology strengthening infectious disease diagnosis systems in Africa is growing.



4. Strengthening of Corporate Governance Framework

To enhance corporate value, we are strengthening corporate governance framework with a focus on shareholders' perspectives by improving management soundness, agility, and transparency.

✓ Management transparency

All chairpersons and members of the Nominating, Compensation, and Audit Committee are outside directors.

		(Since June 30, 2025)	
Nominating	3	→	3
	Outside 2		3
Compensation	3	→	3
	Outside 2		3
Audit	4	→	4
	Outside 3		4

✓ Board Independence

A majority of board members are outside directors
The chairperson of the board is an outside director

		(Since June 30, 2025)	
Board	8	→	10
	Inside 3 (Including chairperson)		3
	Outside 5		7 (Including chairperson)

5. Promotion of Sustainability Strategy

As a company committed to protecting global health, our group actively addresses social issues in healthcare, environment, society, and governance through business activities, based on our sustainability policy.

- ✓ Disclosed materiality KPI results (July 2025)
- ✓ Revised 2030 targets:
Colorectal cancer screening deployed : 57 → 67 countries
Product deployed in developing countries: 15 → 18 countries

https://www.eiken.co.jp/uploads/Materialities&KPIs_2507_en.pdf



- ✓ Disclosure of sustainability performance in the *EIKEN CHEMICAL Integrated Report 2025*

https://www.eiken.co.jp/uploads/eiken_integrated_report_2025_jp.pdf (Japanese version)

*English version: Scheduled in Nov. 2025

(Ref) External Recognition and Participation in Initiatives



5. Corporate Public Relations Activities

Launched corporate PR activities to rise brand awareness and showcase our value and appeal

- ✓ Nippon Broadcasting's radio commercial broadcast
 - 'I might have something serious (March 2025, July to December 2025)
 - Time Signal Commercial: "Before the Announcement" (April to June 2025)
- ✓ Podcast commercial broadcast
 - 'EIKEN CHEMICAL's Mission', 'I might have something serious (May to Augst 2025)
 - 'A Call to Get Screened for Colorectal Cancer' (September to November 2025)
- ✓ Skymark's in-flight magazine, 'Sora no Ashiato' Print advertisement (September to October 2025)

Each advertisement can be viewed here.⇒ <https://www.eiken.co.jp/company/koukoku/> (Japanese only)



Skymark's in-flight magazine, 'Sora no Ashiato'

- ✓ Introduction of News Release Distribution Service

Utilizing *PR TIMES* as a push-type information distribution tool, rather than a pull-type, to deliver news releases to general media outlets and social media platforms

https://prtimes.jp/main/html/searchrlp/company_id/162972/ (Japanese only)



PR TIMES

Appendix

Consolidated Balance Sheet (YTD)

				Millions of yen			
	As of Mar. 31, 2024	As of Sep. 30, 2025	Change		As of Mar. 31, 2024	As of Sep. 30, 2025	Change
Cash and deposits	9,873	9,533	(340)	Trade and other payables	8,489	8,016	(473)
Trade and other receivables	11,741	11,705	(36)	Other current liabilities	5,886	6,914	1,028
Other financial assets	0	0	0	Total current liabilities	14,376	14,931	554
Inventories	8,500	9,065	565	Bonds and borrowings	3,000	3,000	0
Other current assets	1,416	2,023	606	Other non-current liabilities	1,397	1,384	(13)
Total current assets	31,532	32,327	795	Total non-current liabilities	4,397	4,384	(13)
Property, plant and equipment	22,121	23,774	1,653	Total liabilities	18,773	19,315	541
Intangible assets	670	399	(271)	Share capital	6,897	6,897	0
Investments and other assets	8,048	6,752	(1,295)	Capital surplus	7,892	7,925	33
Total non-current assets	30,840	30,926	86	Retained earnings	34,700	36,778	2,077
Total assets	62,372	63,253	881	Treasury shares	(6,756)	(7,942)	(1,185)
				Accumulated other comprehensive income	505	189	(315)
				Share acquisition rights	358	89	(268)
				Total net assets	43,598	43,938	340
				Total liabilities and equity	62,372	63,253	881

R&D expenses, Capital investment, Depreciation and amortization

Millions of yen

	Q2 FY2024 Results	Q2 FY2025 Results	FY2024 Results	FY2025 Forecast
R&D expenses	2,036	1,875	4,386	4,040
Capital investment	4,763	2,872	7,699	4,240
Depreciation and amortization	1,177	1,146	2,533	2,780

■ New Manufacturing Building in Nogi Factory

Name : ICPP (Immunochemical Product Plant)

Completion : June 30, 2025

Operation : September 2025

(Start of operations: Scheduled for March 2026)

Total investment : 6.5 billion yen

Products produced : Immunological and serological reagents



Saving Your Health



EIKEN CHEMICAL CO., LTD.

Forward-looking Statements

- This material contains forward-looking statements about EIKEN CHEMICAL CO., LTD. (EIKEN).
- These forward-looking statements are based on the current judgments and assumptions of EIKEN in light of the information currently available to it.
- Uncertainties inherent in such judgments and assumptions, the future course of our business operations and changes in operating environments both in Japan and overseas may cause our actual results, performance, achievements, or financial position to be materially different from any future results, performance, achievements or financial position either expressed or implied within these forward-looking statements.