



**EIKEN CHEMICAL CO., LTD.**

# **Financial Results for Q3 FY2025**

## **(April 1, 2025 to December 31, 2025)**

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

**January 30, 2026**

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# Executive Summary

## Company Performance

- ✓ Year-on-year increase in both sales and profit
- ✓ Sales: Growth driven mainly by fecal immunochemical tests (FIT) products for Europe and medical devices
- ✓ Profit: Increased due to appropriate cost control and gain on the sale of shares in a consolidated subsidiary in Q2
- ✓ The full-year earnings forecast remains unchanged

## External Environment

- ✓ Ongoing impact from global resource price increases, geopolitical risks, U.S. trade policies, and monetary policies in major countries
- ✓ Continued rise in costs related to logistics and raw material procurement

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# Financial Results for Q3 FY2025

## Consolidated Financial Results—YoY Change

	Q3 FY2024 Results	Q3 FY2025 Results	Amount of Change	Percentage of Change	Millions of yen		FY2025 Forecast Amount	Progress rate
					FY2025 Forecast Amount	Progress rate		
Net sales	30,640	31,377	737	2.4%	42,200	74.4%		
Cost of sales	17,866	18,756	889	5.0%	25,150	74.6%		
Gross profit	12,773	12,621	(151)	(1.2%)	17,050	74.0%		
SG&A expenses	10,138	9,841	(297)	(2.9%)	13,800	71.3%		
Operating profit	2,634	2,779	145	5.5%	3,250	85.5%		
Ordinary profit	2,835	2,739	(96)	(3.4%)	3,100	88.4%		
Net profit	2,116	3,722	1,605	75.8%	3,770	98.7%		
R&D expenses	3,096	2,726	(369)	(11.9%)	4,040	67.5%		

- Increased in sales of FIT products and medical devices.
- Continued impact of USAID program closure.

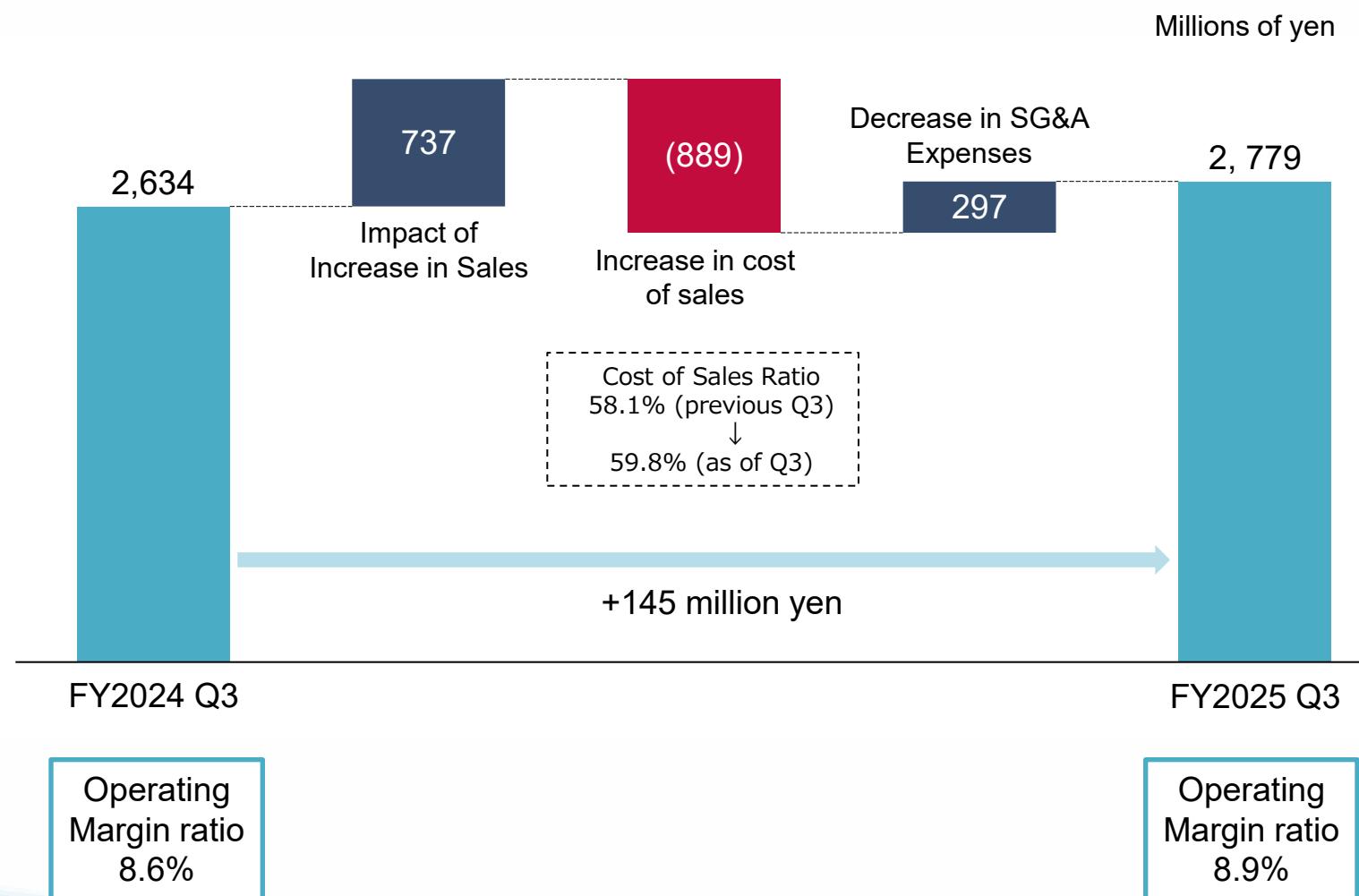
- Rising cost of sales ratio.
- Delayed Profitability Measures.

- Efficient cost control
- Concentration of R&D expenses at the end of the FY.

Recorded approx. ¥2.0 billion in Q2 for the transfer of consolidated subsidiary equity

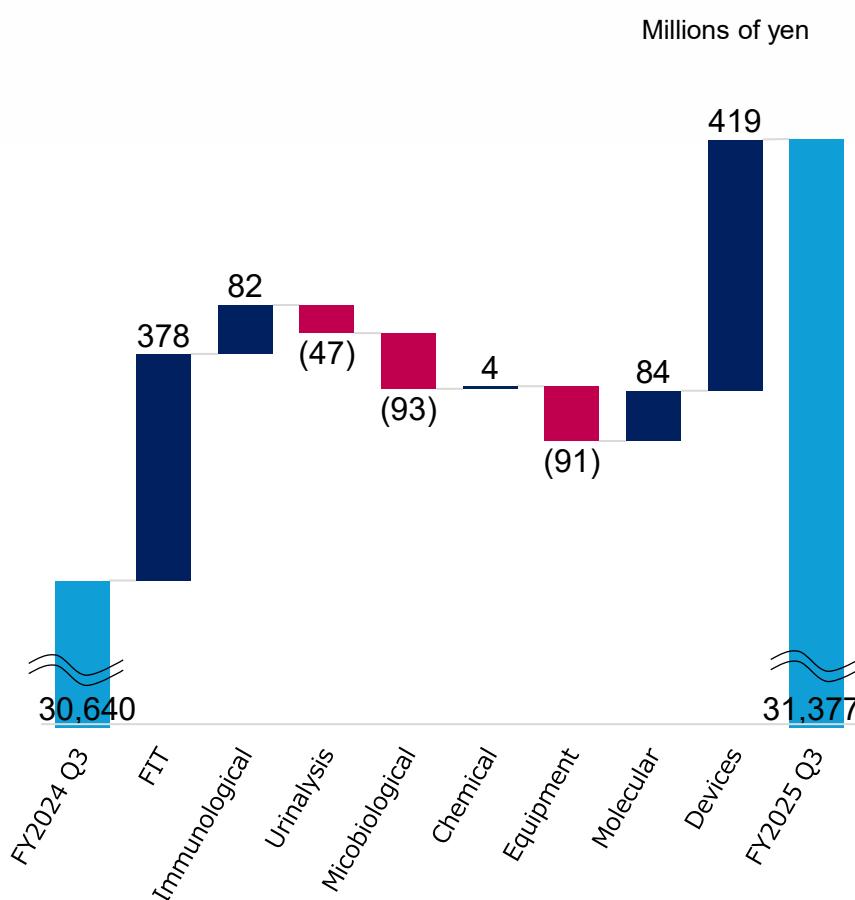
- Sales and profit increased** driven by growth in FIT products and medical devices, cost efficiency, and gains from subsidiary share transfer.
- As expenses is concentrated at the end of the FY, **the full-year earnings forecast remains unchanged**.

## Breakdown of Operating Profit



- Impact of increase in sales: ¥737 million
- Impact of changes in cost of sales ratio: ¥ -889 million
  - ✓ Positive Factors:
    - Higher profit due to higher sales of high-earning products (FIT)
    - Temporary income from LAMP patent fees
    - Price increases on certain products (equipment, food-related products, and some culture media)
    - Consolidating urine test strips into domestic manufacturing
  - ✓ Negative Factors:
    - Lower profit due to lower sales of high-earning products (Urinalysis and POCT)
    - Product mix deterioration due to increased sales of low-earning products (medical devices)
    - Increase in amortization expenses
    - Increase in costs due to soaring raw material prices
- Decrease in SG&A expenses: ¥297 million
  - ✓ Efficient cost control

## Sales Results by Region —YoY Change



	Q3 FY2024 Results	Q3 FY2025 Results	Amount of Change	Percentage of Change	FY2025 Forecast	
					Amount	Progress rate
Fecal immunochemical tests (FIT)	10,076	10,455	378	3.8%	13,640	76.6%
Immunological and serological excluding FIT	7,546	7,629	82	1.1%	9,680	78.8%
Urinalysis	3,505	3,458	(47)	(1.4%)	4,740	73.0%
Microbiological	3,469	3,375	(93)	(2.7%)	4,900	68.9%
Clinical chemistry test	455	459	4	0.9%	610	75.2%
Equipment/ Food and Environment	1,492	1,400	(91)	(6.1%)	1,860	75.3%
Molecular test	1,415	1,500	84	6.0%	2,440	61.5%
Medical devices/Others	2,678	3,097	419	15.7%	4,330	71.5%
Total	30,640	31,377	737	2.4%	42,200	74.4%

- ✓ FIT: Sales increased both in Japan and overseas, driven mainly by strong growth in sales for overseas markets.
- ✓ Microbiological: Sales decreased due to declined sales of POCT products and antimicrobial susceptibility test reagents.
- ✓ Molecular test: Although sales of TB-LAMP to Nigeria declined due to the closure of USAID program, overall molecular sales increased, supported by temporary royalty income. While orders for TB-LAMP have resumed, partly due to lobbying efforts, ongoing disruptions in the global healthcare environment makes it challenging to achieve the full-year forecast.
- ✓ Medical devices: Sales increased for FIT analyzers and for Immunological and serological testing products introduced and sold by Tosoh Corporation.

## Sales Results by Region —YoY Change

	Q3 FY2024 Results	Q3 FY2025 Results	Amount of Change	Percentage of Change	Millions of yen		[Domestic]
					FY2025 Forecast Amount	Progress rate	
Domestic Sales	22,772	23,114	341	1.5%	30,150	76.7%	[Americas]
Overseas Sales	7,868	8,263	395	5.0%	12,050	68.6%	[EMEA]
Overseas Sales Ratio	25.7%	26.3%	—	—	—	—	[APAC]
Total	30,640	31,377	737	2.4%	42,400	74.4%	✓ Sales of FIT products, and Immunological and serological testing products introduced from Tosoh Corporation, increased.
Americas	1,926	1,793	(133)	(6.9%)	2,530	70.9%	✓ Demand continues to grow due to expansion of the target age group for FIT, increased use of endoscopic triage, and the shift from chemical to immunological methods.
EMEA	2,986	3,408	422	14.2%	5,260	64.8%	✓ Temporary decline in shipments due to timing of analyzer replacements and other related factors.
APAC	2,956	3,062	105	3.6%	4,260	71.9%	✓ Strong performance in FIT products. Expansion of the target age group and expansion of distribution methods for sampling bottles contributed.
			341		422	105	✓ Continued wins in National FIT Screening Programs. England: Program continues; next phase starts July 2026. France: Program continues; next phase starts February 2026. France has distributed sample collection containers to all eligible participant since June 2025.
			(133)				✓ Impact of USAID program closure delays sales of TB-LAMP.
							[APAC]
							✓ Strong performance mainly in FIT reagents for Asian markets.
							✓ Sales of Urinalysis for overseas markets decreased.
FY2024 Q3	Domestic	Americas	EMEA	APAC	FY2025 Q3		

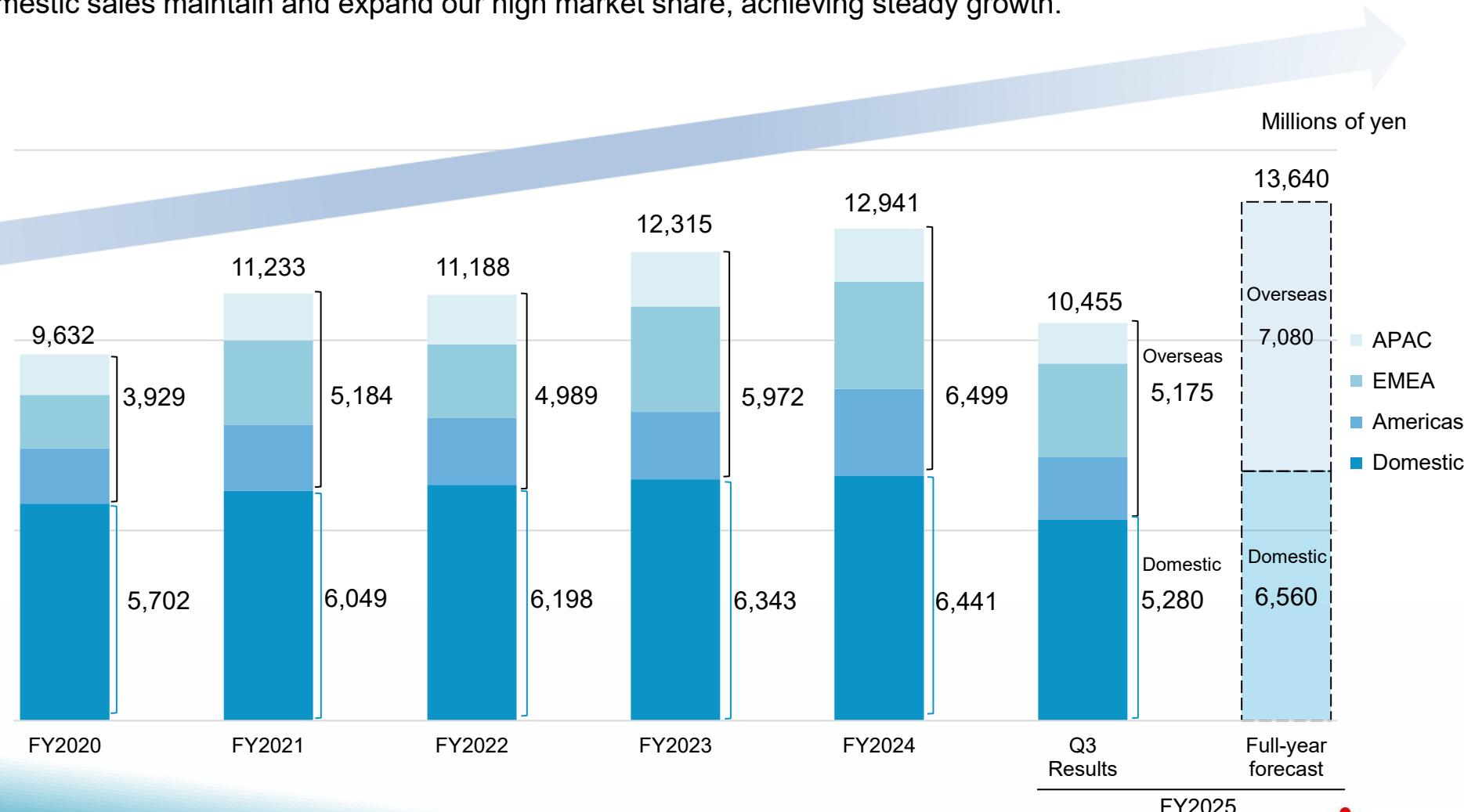
Americas: North and Central/South America

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]

## Sales Trend of FIT Products; Our Core Product

- ✓ Sales of FIT products, our core product continue to grow steadily, mainly in overseas markets.
- ✓ Overseas sales surpassed domestic sales from FY2024, resulting in an increased proportion of overseas sales.
- ✓ Domestic sales maintain and expand our high market share, achieving steady growth.



# **Initiatives to Enhance ROIC – Progress Update**

# Strengthening Earning Power

FY2027 target **Operating profit margin Improvement 5.2pt**

- ✓ Efforts of cost reduction delays, resulting in slower-than-expected impact.
- ✓ We are increasing investment in high-earning products and accelerating sales expansion to enhance overall profitability for achievement to mid-term management plan.

	Measures	Operating profit margin Improvement target for FY2027	Progress in FY2025 Q3
Cost reductions	<ul style="list-style-type: none"> <li>• Liquidate and withdraw from low-earning product groups</li> <li>• Consolidate and eliminate product dosage forms</li> <li>• Increase accuracy of demand forecasts</li> <li>• Reduce plant loss costs</li> <li>• Consolidate production sites for urinalysis tests and immunological and serological tests into Nogi Plant</li> <li>• Work toward data-driven smart factories</li> </ul>	+2.0 pt	<ul style="list-style-type: none"> <li>✓ Sales expansion of main products FIT and calprotectin continues to perform strongly.</li> <li>✓ Sales expansion of POCT products, a key profit-generating category, has been slower than expected. To achieve our targets, we are accelerating additional initiatives in addition to our existing strategies.</li> <li>✓ For low-earning products, including powdered media and instruments, prices for 40% of all items were revised to appropriate market levels, improving cost of sales (overall COGS +0.1pt).</li> <li>✓ Consolidated production of urine test reagents from China to Nogi Plant, improving cost of sales for urine test strips</li> <li>✓ The ICPP building became operational, with validation starting in September.</li> </ul>
SG&A expense reductions	<ul style="list-style-type: none"> <li>• Optimize outsourced research expenses based on product portfolio</li> <li>• Optimize staffing structures and plans to raise labor productivity</li> </ul>	+3.2 pt	<ul style="list-style-type: none"> <li>✓ Personnel cost ratio to sales: down 0.7pt YoY</li> </ul>

(Ref.) Operating Profit Margin FY2024 Actual: 7.4% → FY2027 Target: 12.6%

## Increased capital efficiency

### Optimization of the Cash Conversion Cycle (CCC)



**FY2024: 106 days → FY2025 target: 102 days**

Progress FY2025 Q3 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

Inventory of raw materials and intermediates temporarily increased due to order delays for TB-LAMP following the closure of USAID program, but was partially reduced through shipments for orders received in November.

Equipment inventory was also reduced as planned through steady sales.

# Appendix

## Consolidated Balance Sheet

	As of Mar. 31, 2025	As of Dec. 31, 2025	Change		As of Mar. 31, 2025	As of Dec. 31, 2025	Change
Cash and deposits	9,873	5,920	(3,952)	Trade and other payables	8,489	8,235	(254)
Trade and other receivables	11,741	12,663	922	Other current liabilities	5,886	6,875	989
Other financial assets	0	0	0	Total current liabilities	14,376	15,111	734
Inventories	8,500	8,817	316	Total non-current liabilities	4,397	1,352	(3,045)
Other current assets	1,416	2,067	651	Total liabilities	18,773	16,463	(2,310)
Total current assets	31,532	29,469	(2,062)				0
Property, plant and equipment	22,121	23,575	1,453	Share capital	6,897	6,897	0
Intangible assets	670	388	(281)	Capital surplus	7,892	7,892	0
Investments and other assets	8,048	6,775	(1,272)	Retained earnings	34,700	30,898	(3,802)
Total non-current assets	30,840	30,739	(100)	Treasury shares	(6,756)	(2,242)	4,513
				Accumulated other comprehensive income	505	211	(294)
				Share acquisition rights	358	89	(268)
				Total net assets	43,598	43,745	147
Total assets	62,372	60,209	(2,162)	Total liabilities and net assets	62,372	60,209	(2,162)

# 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.