



# **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.

# Key Messages for Today

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- ✓ **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%

**Operating Profit :  
Decreased**

**¥ 2,367M**

YoY : 47%

**Net Income Attributable to  
Parent**

**¥ 368M**

YoY : 12%

**(Million Yen)**

**Net Sales**

**Operating Profit**

**Ordinary Income**

**Net Income Attributable to  
Parent**

**(Yen)**

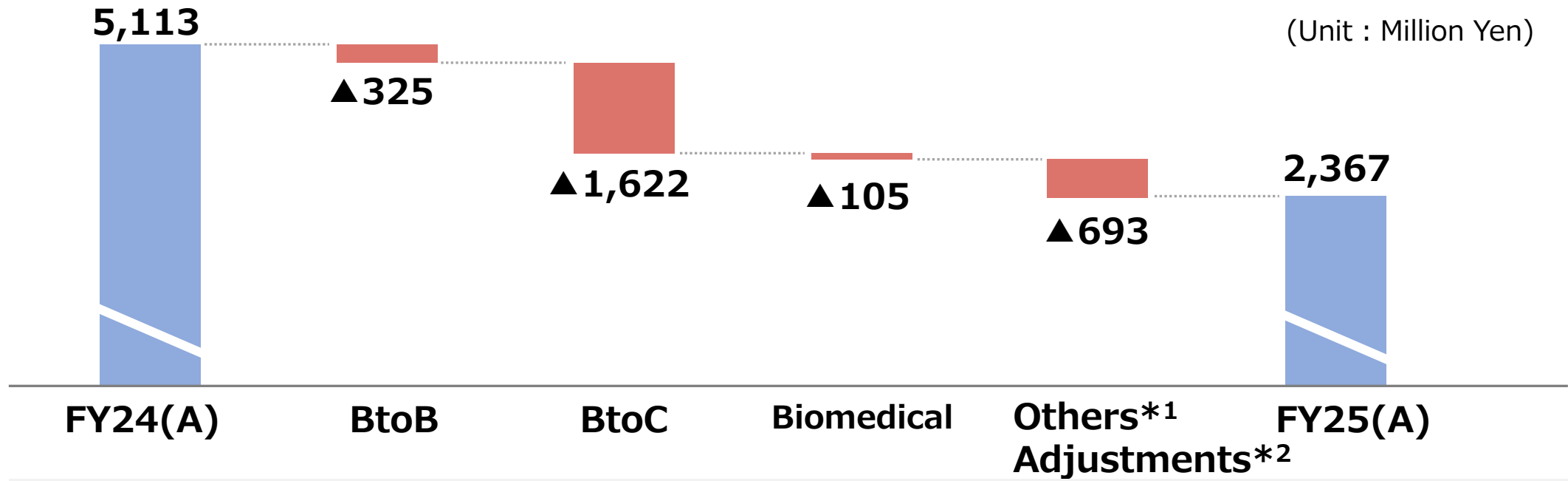
**EPS**

**Year-End Dividend per  
share**

FY2025(A)	FY2024(A)	Change	%
65,260	62,147	3,113	5%
2,367	5,113	-2,746	-53%
2,553	5,249	-2,696	-51%
368	3,205	-2,837	-88%
FY2025(A)	FY2024(A)	Change	%
12.8	112.7	-99.9	-88%
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

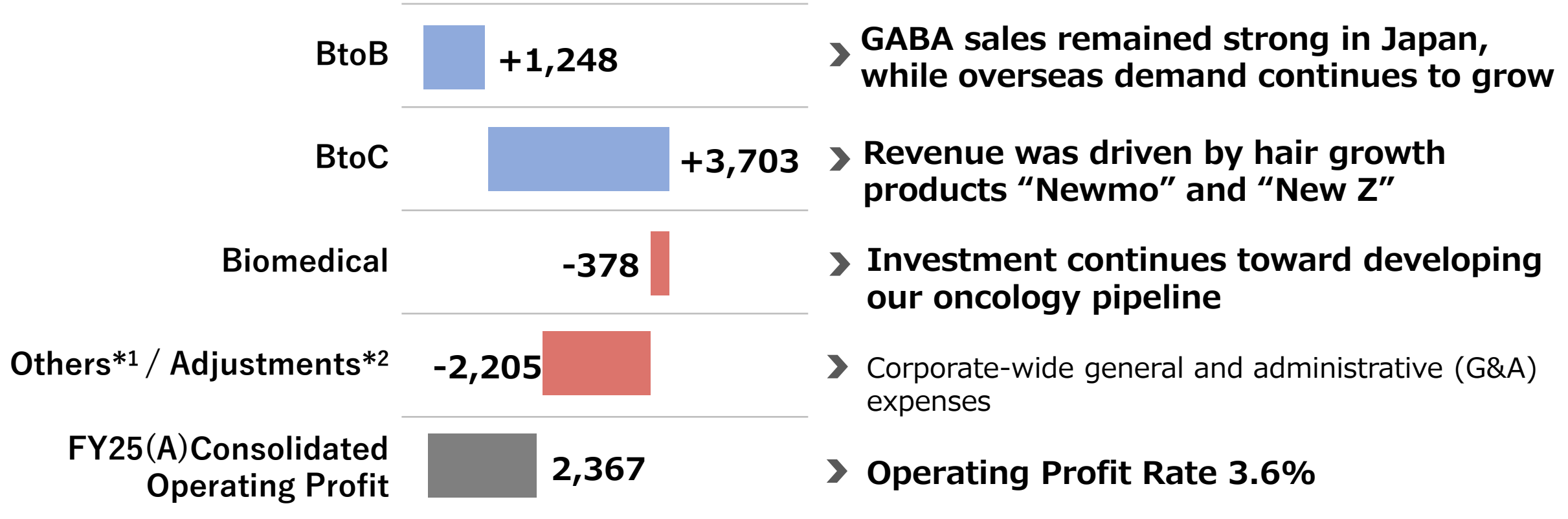


\*1 : "Others" includes segments outside the reportable segments, including fund management.

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

# Operating Profit by Segment – FY2025(A)

(Unit : Million Yen)

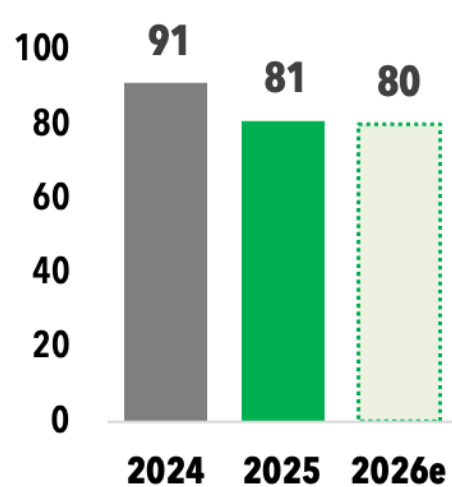


\*1 : “Others” includes segments outside the reportable segments, including fund management.

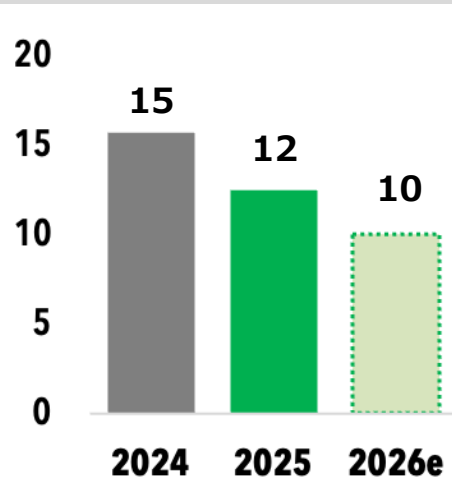
\*2 : “Adjustments” consist of corporate-wide expenses, including G&A, and depreciation/amortization.

# BtoB : Functional Materials Enter Daily Market and Expand Distribution

Net Sales(100M Yen)



Operating Profit(100M Yen)



## FY2025 Review

## FY2026 Plan

Domestic

- 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



- 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



International

- GABA supplements are strong in North America

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



- 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

## In-house Brands



sales

### ① Wholesalers

Trading companies/Distributors  
**ITOCHU Corporation**  
**NIPPON ACCESS, INC.**

### Retailers



**Mass-merchandisers**



**Supermarkets**



**Drugstores**



**Convenience Stores**

### Consumers



## Functional Food Ingredients



sales

### ② Food Manufacturers



### ③ Daily Food Manufacturers



sales

**PharmaGABA®**

**BONEPEP®**



# Increased Use of PharmaGABA in North America

- ✓ Launched a functional powdered hydration beverage series containing PharmaGABA



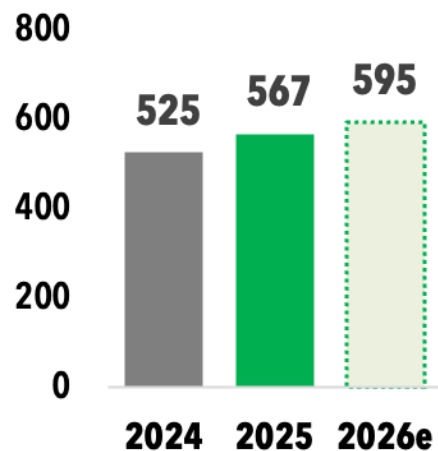
- ✓ **Post-FDA approval, PharmaGABA is expected to be adopted by major beverage manufacturers, with annual sales projected at 60 tons.**



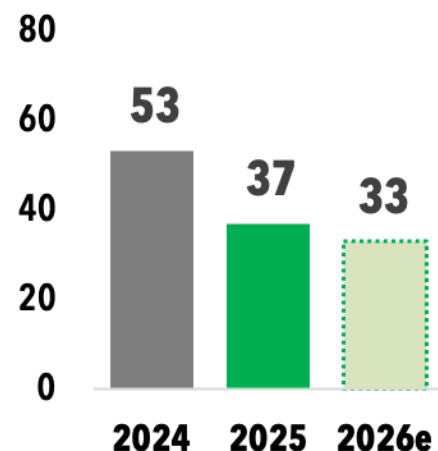
**Pharma Foods International Co., Ltd.  
Head of Overseas Department  
Aditya Kulkarni**



## 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%**

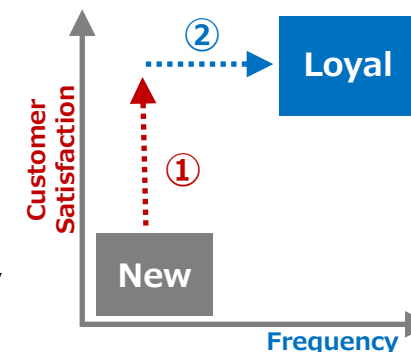


## FY2026 Plan

### ➤ 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 **2.7×**



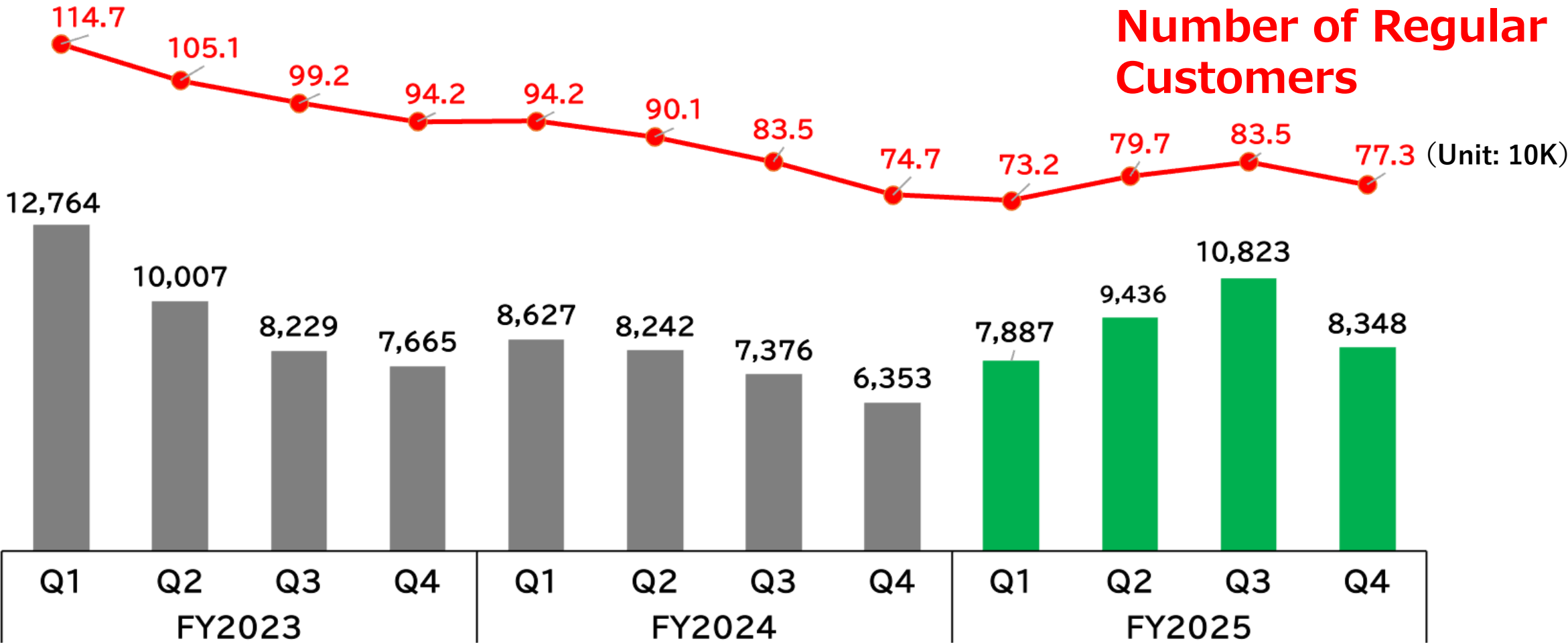
### ➤ Omnichannel strategy: e-commerce & retail

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



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

## Number of Regular Customers



## Advertising Expenses (Million Yen)

# 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

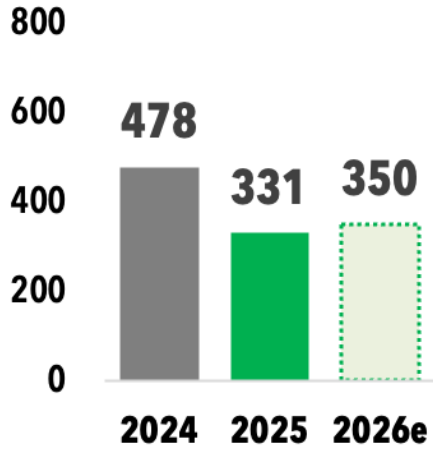
**8.27Millions**



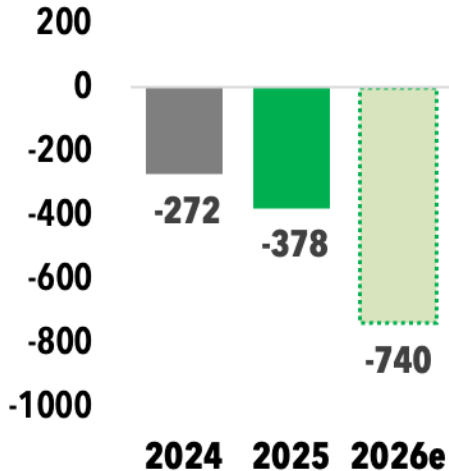
As of Sep 16, 2025

# Biomedical : Clinical Development of MT-3534 Progressing Steadily

## Net Sales(Million Yen)



## Operating Profit (Million Yen)



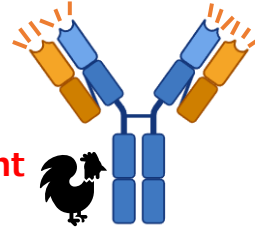
## FY2025 Review

### Antibody

#### ➤ Progress in autoimmune disease project

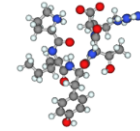
MT-3534 licensed to Mitsubishi Tanabe Pharma Corporation

**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



National Cerebral and Cardiovascular Center

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

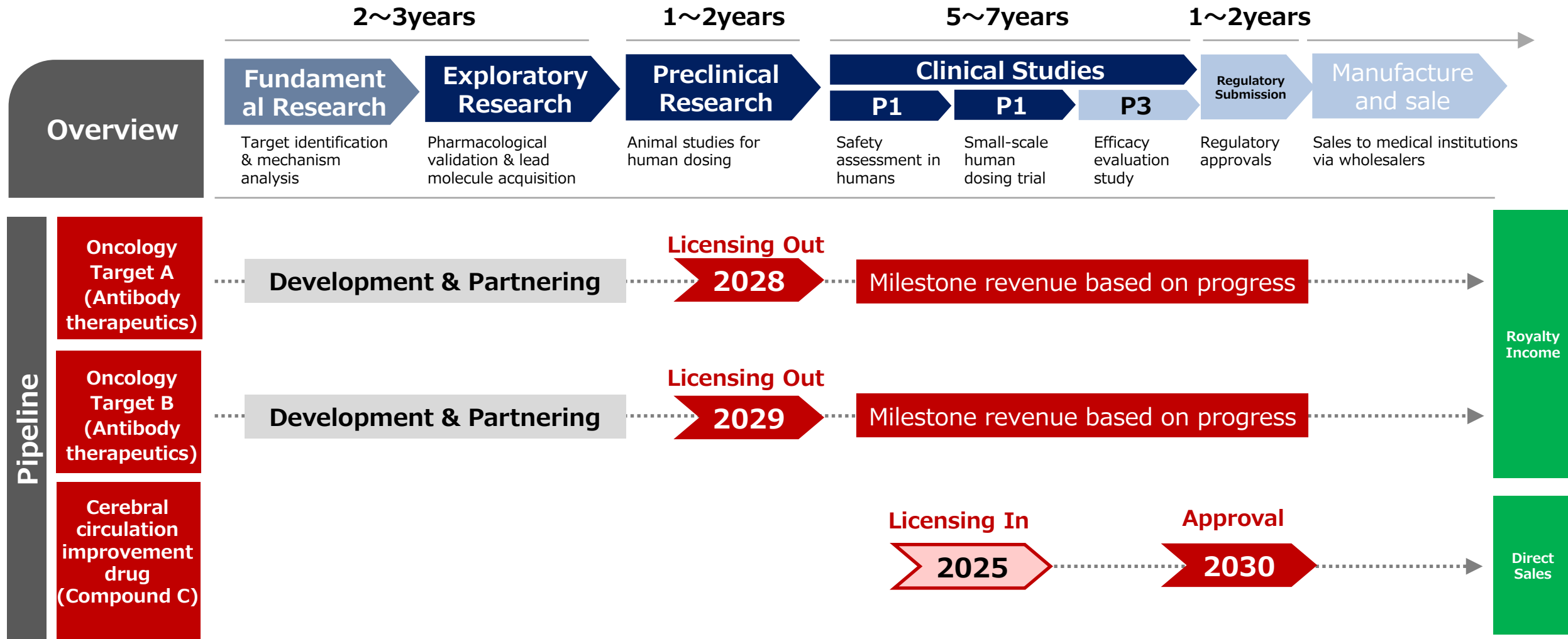


\*1 : 2025/9/24 Release : "ALAgene® technology"-Derived Antibody Therapeutic Candidate Achieves Phase I Clinical Milestone ~Driving Future Growth through Strategic License Agreement~

\*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	-	-

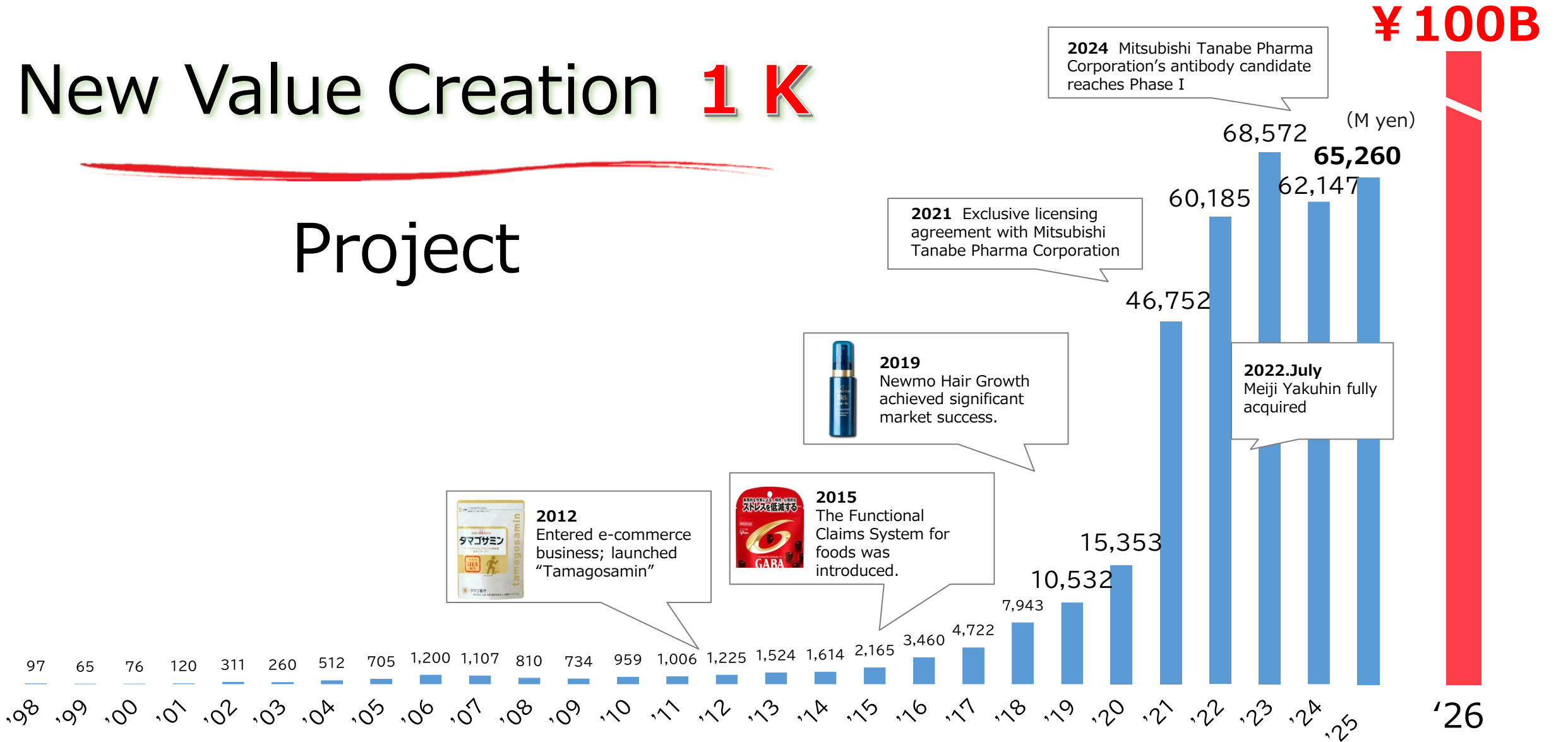


1. FY2025 Results and FY2026 Forecast

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

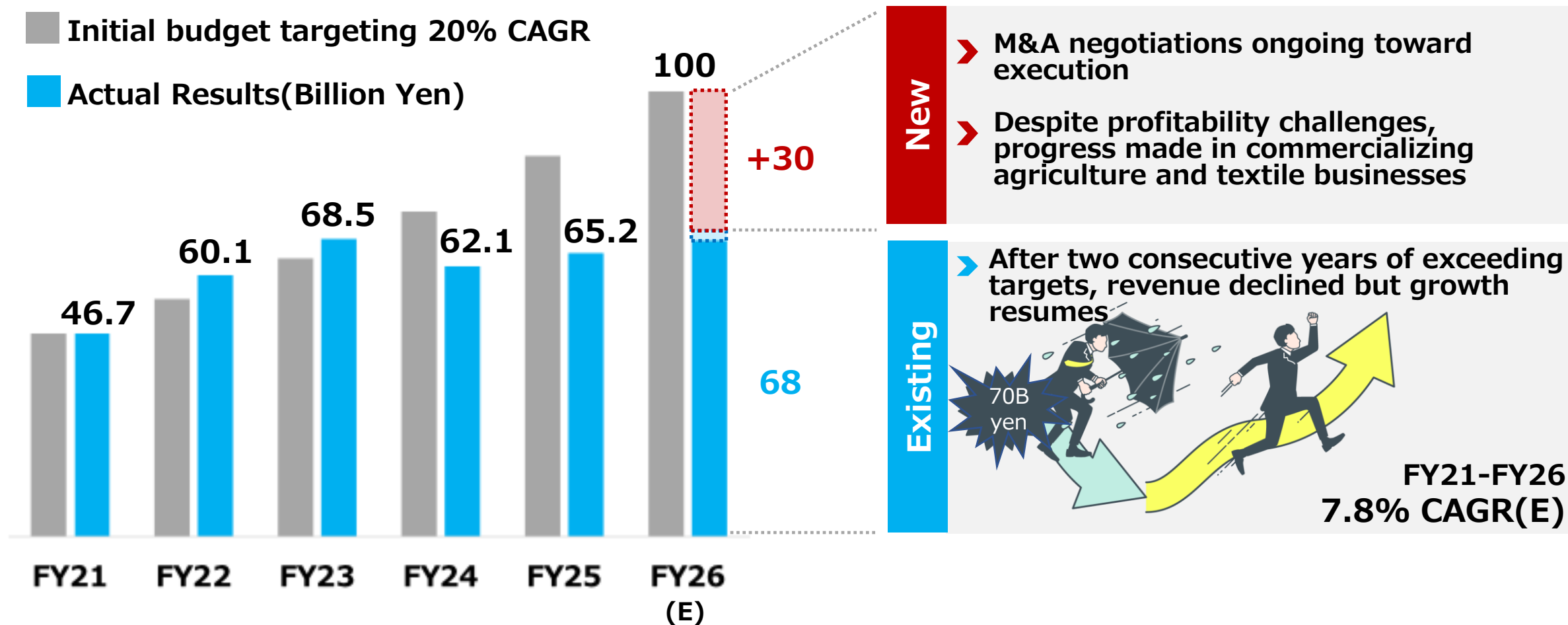
New Value Creation 1K

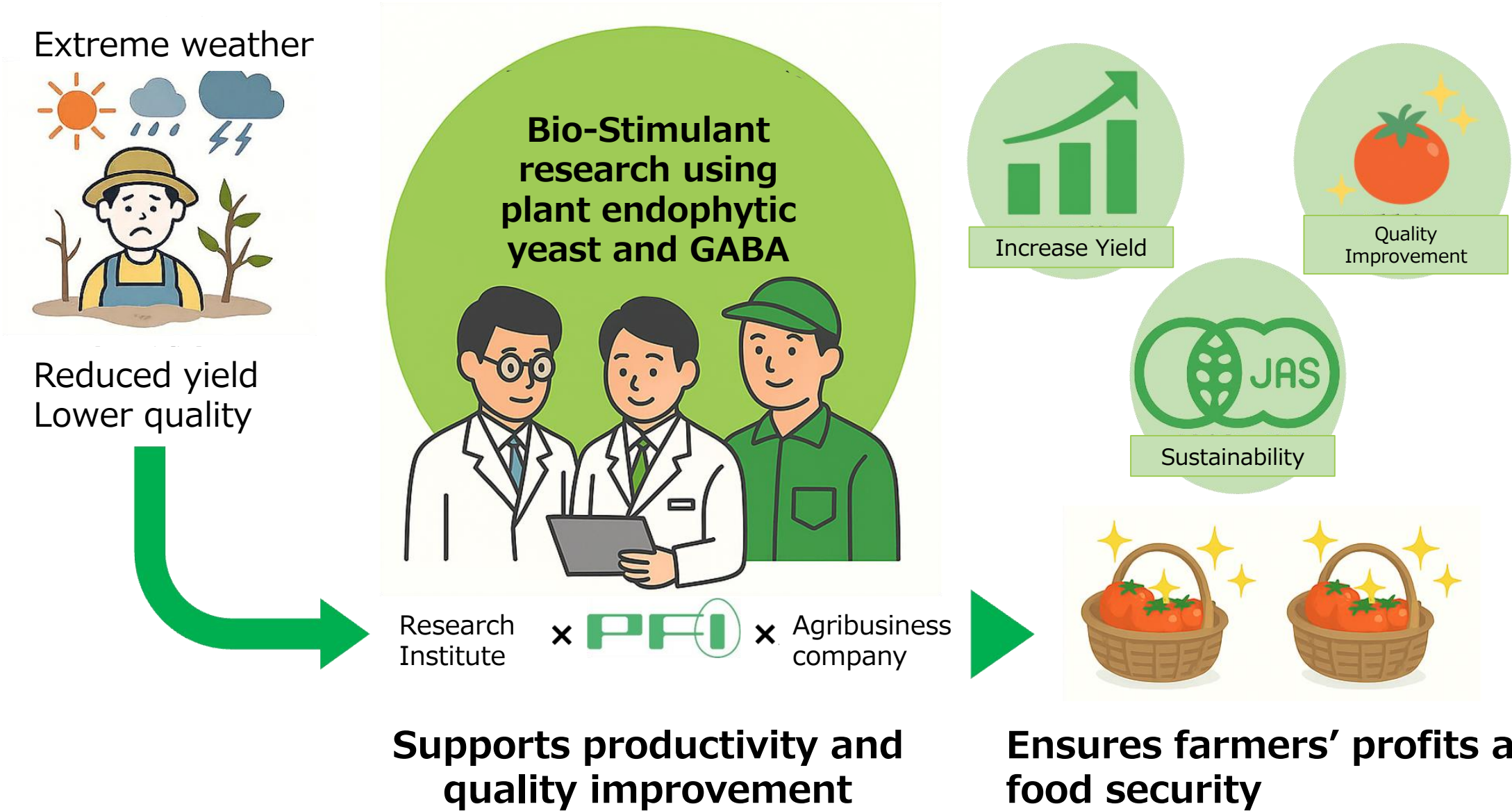
Project



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

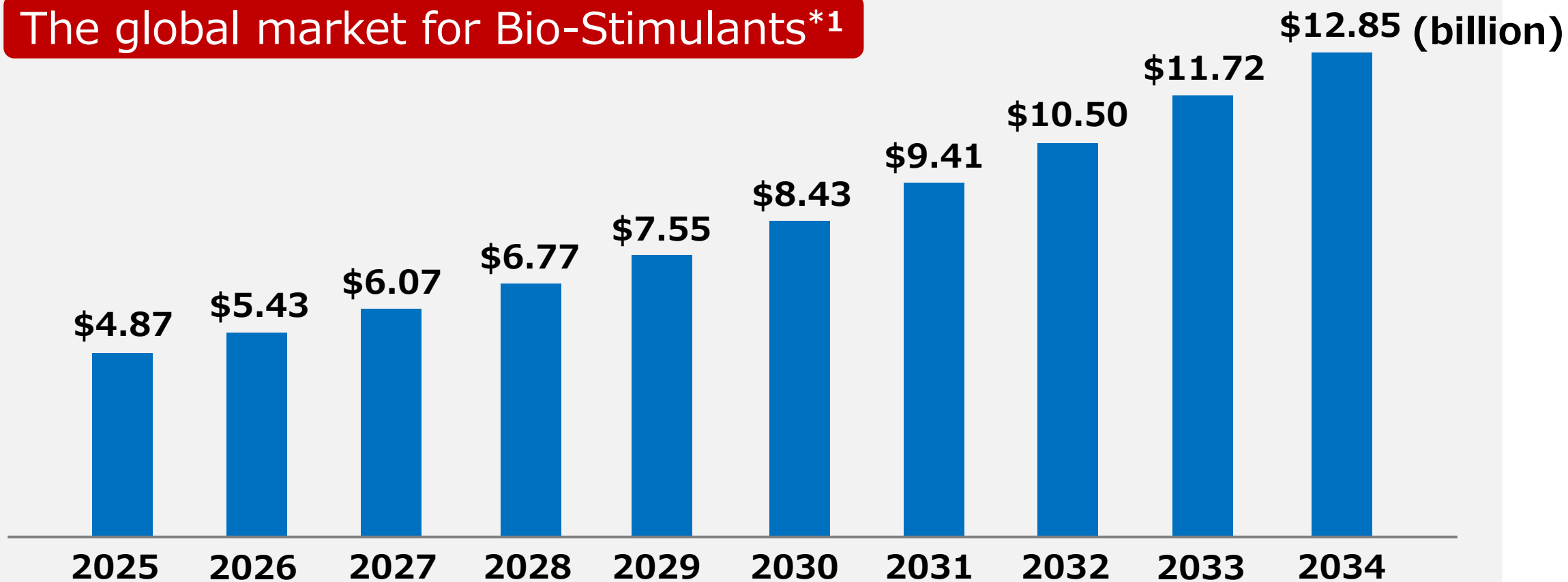
- ✓ Project targeting ¥100 billion in sales: ¥70 billion from existing business, ¥30 billion from new business initiatives





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

## The global market for Bio-Stimulants\*<sup>1</sup>



\*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

**Standard**

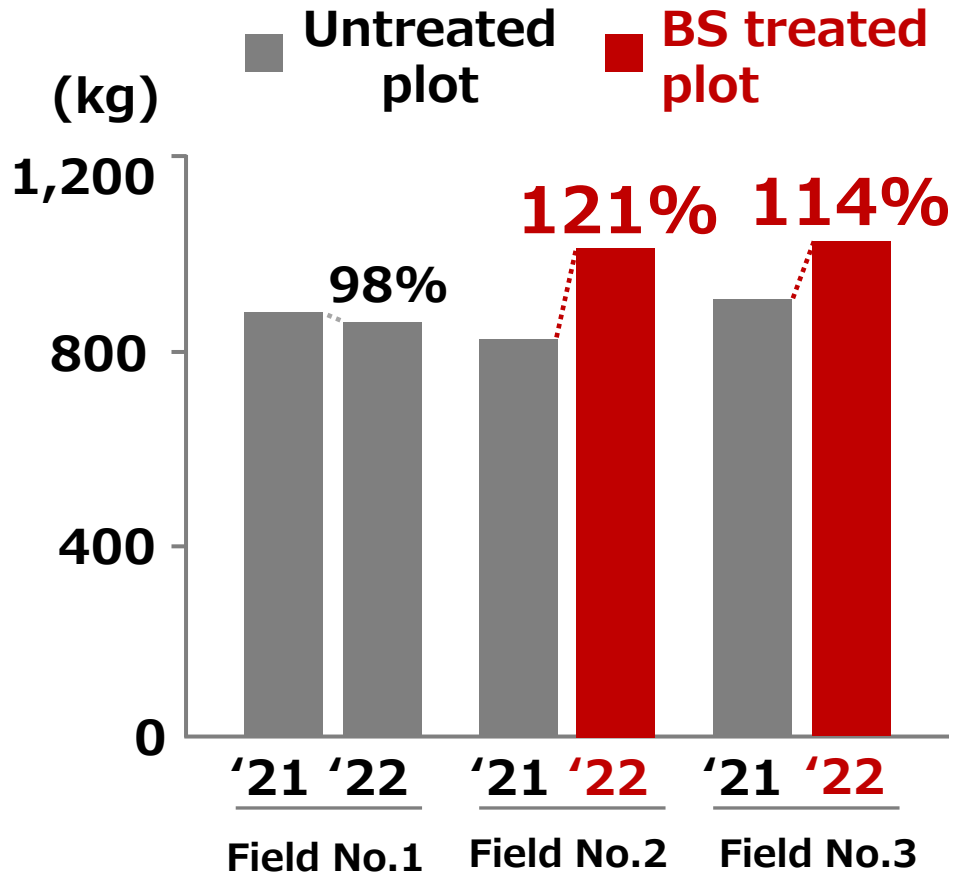
**Bio-Stimulant**





## ✓ Field trials in rice showed improved tolerance to heat stress

**Yield improved by over 14%**



BS : Bio-Stimulant

**Reduced occurrence of defective rice to ~1/6**

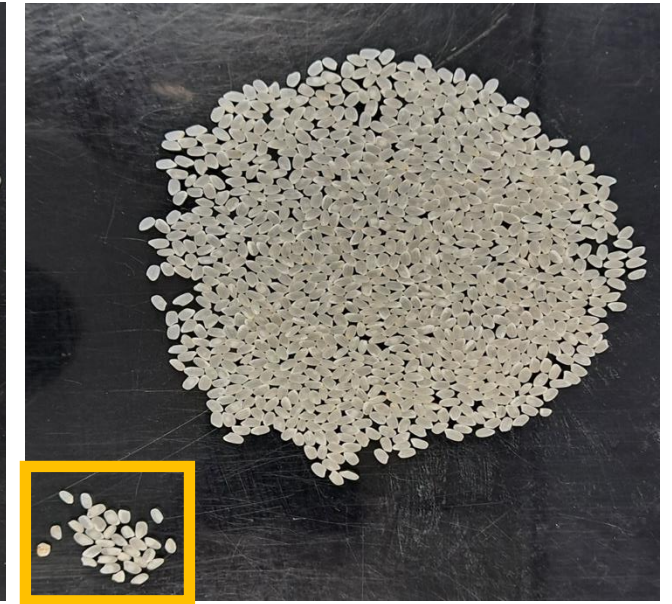
**Untreated plot**



Chalky kernels

**20%**

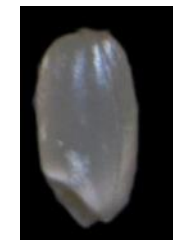
**BS treated plot**



Chalky kernels

**3.4%**

**BS**



Normal



Chalky kernels

# Selected "MAFF Open Innovation Research and Development Promotion Project"



- ✓ Bio-oriented technology Research Advancement InstitutionN – 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**

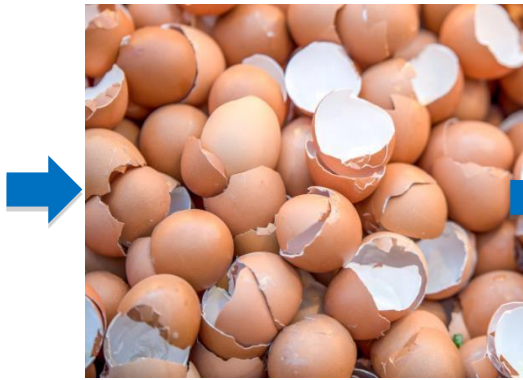


# NEDO "Research and Development of Technologies to Promote Biomanufacturing" Project



**2.6million  
t/year of eggs**

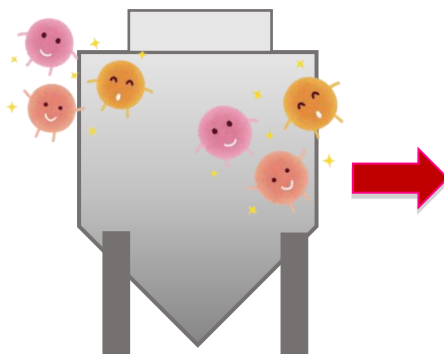
※Annual domestic  
egg production in  
Japan



**260K t/year of  
eggshells and  
eggshell membranes**



**10K t/year  
of eggshell  
membrane**



**Solubilization  
using modified  
enzymes**



**Eggshell  
membrane  
starting material**



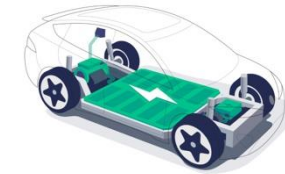
**Eggshell membrane-  
cellulose hybrid fiber**



**Textile**



**Eggshell  
membrane  
nanofiber**



**Battery  
material**



**Agri  
Bio-  
Stimulant**

# Sustainable “ovoveil” 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







**Two Consecutive Years Showcasing at the Big Four Fashion Weeks  
DOUBLET 26 Spring/Winter Collections (Paris, 2025)**





OSAKA, KANSAI, JAPAN  
EXPO 2025



Osaka  
Healthcare  
Pavilion  
Nest for Reborn



**Business opportunities with international apparel companies via Expo exhibition**



# Launch of Lifestyle Brand “ovonir”

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

ovonir

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<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

### ➤ Meiji Yakuhin New factory

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



## New business

### ➤ M&A

- Targeting execution in FY2026/7
- Negotiations ongoing

### ➤ 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

## Existing business

### ➤ BtoB

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

### ➤ BtoC

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



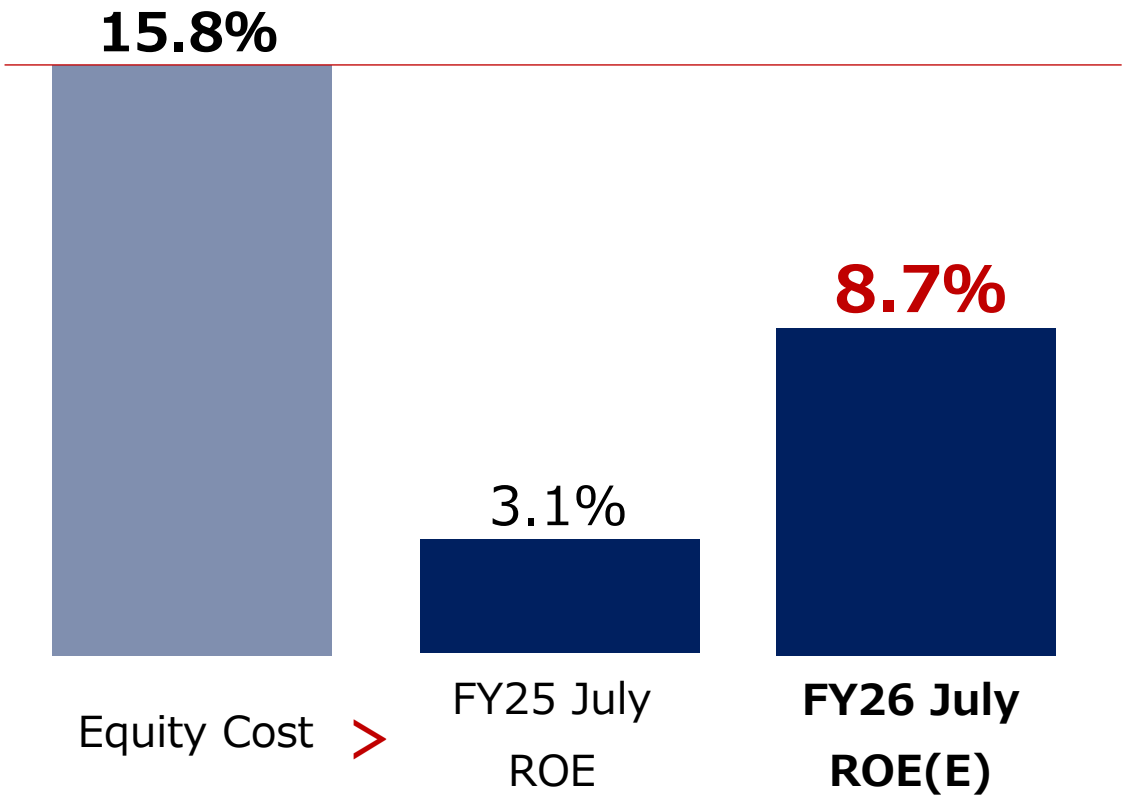
# Appendix

# Management of Capital Costs and Share Price

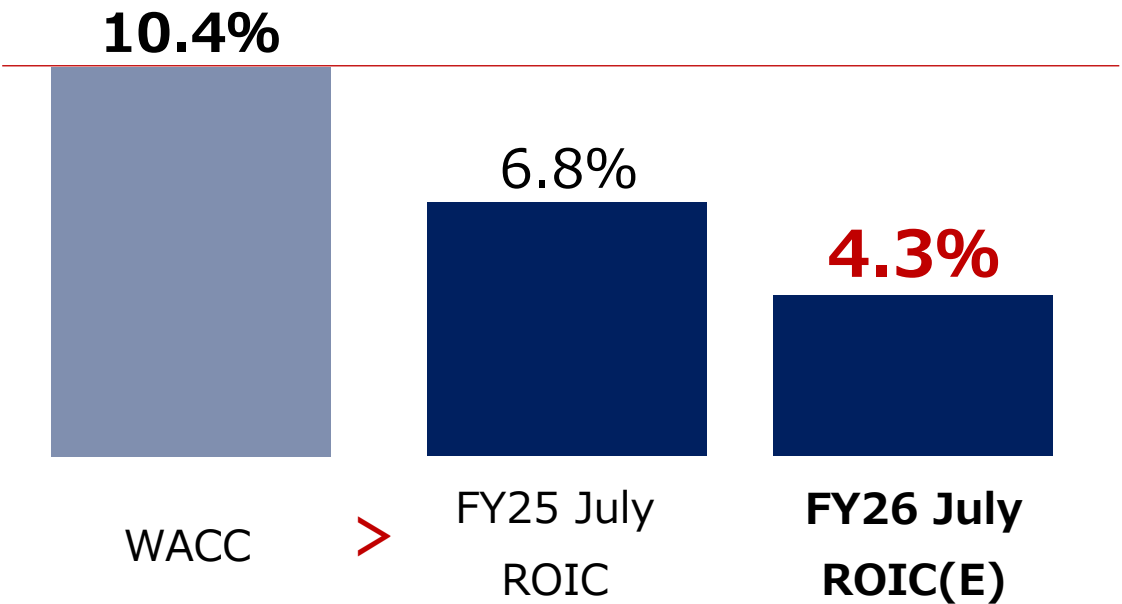


# Evaluation 1 – Capital Returns

## ROE

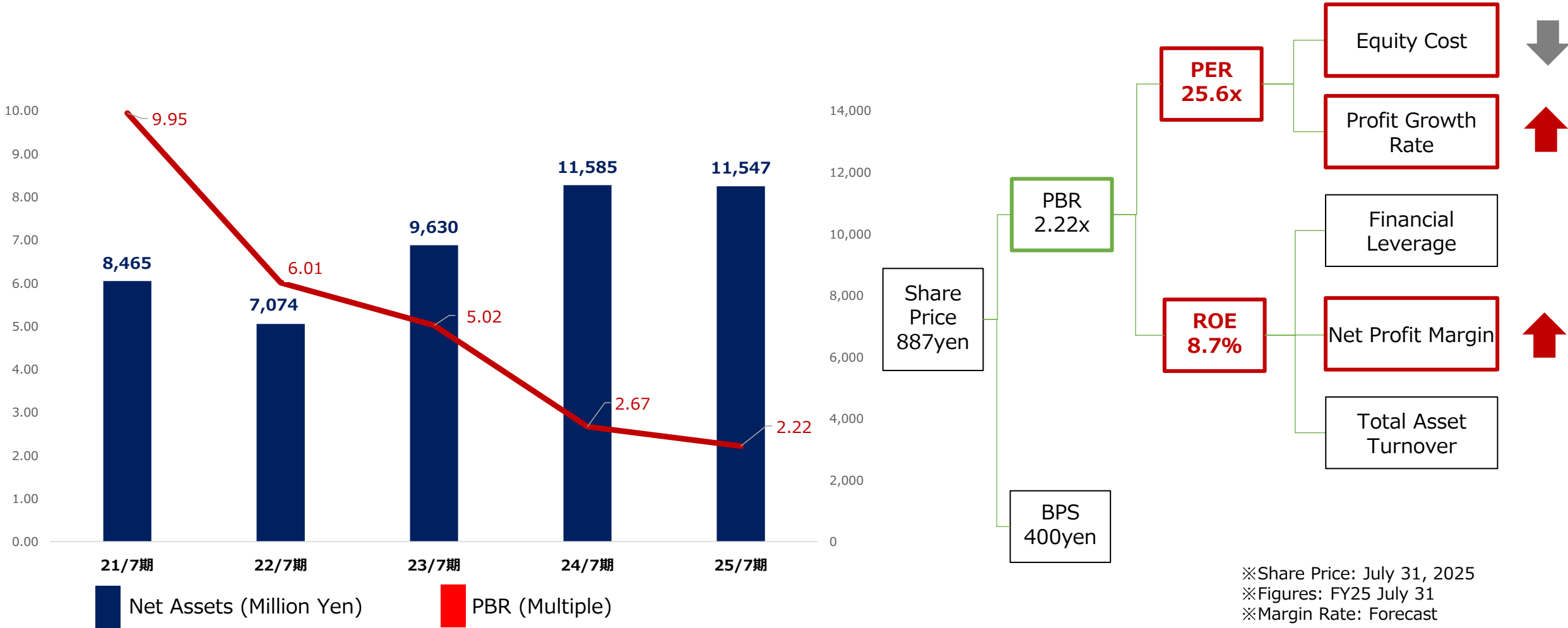


## ROIC



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

# Evaluation 2 – PBR

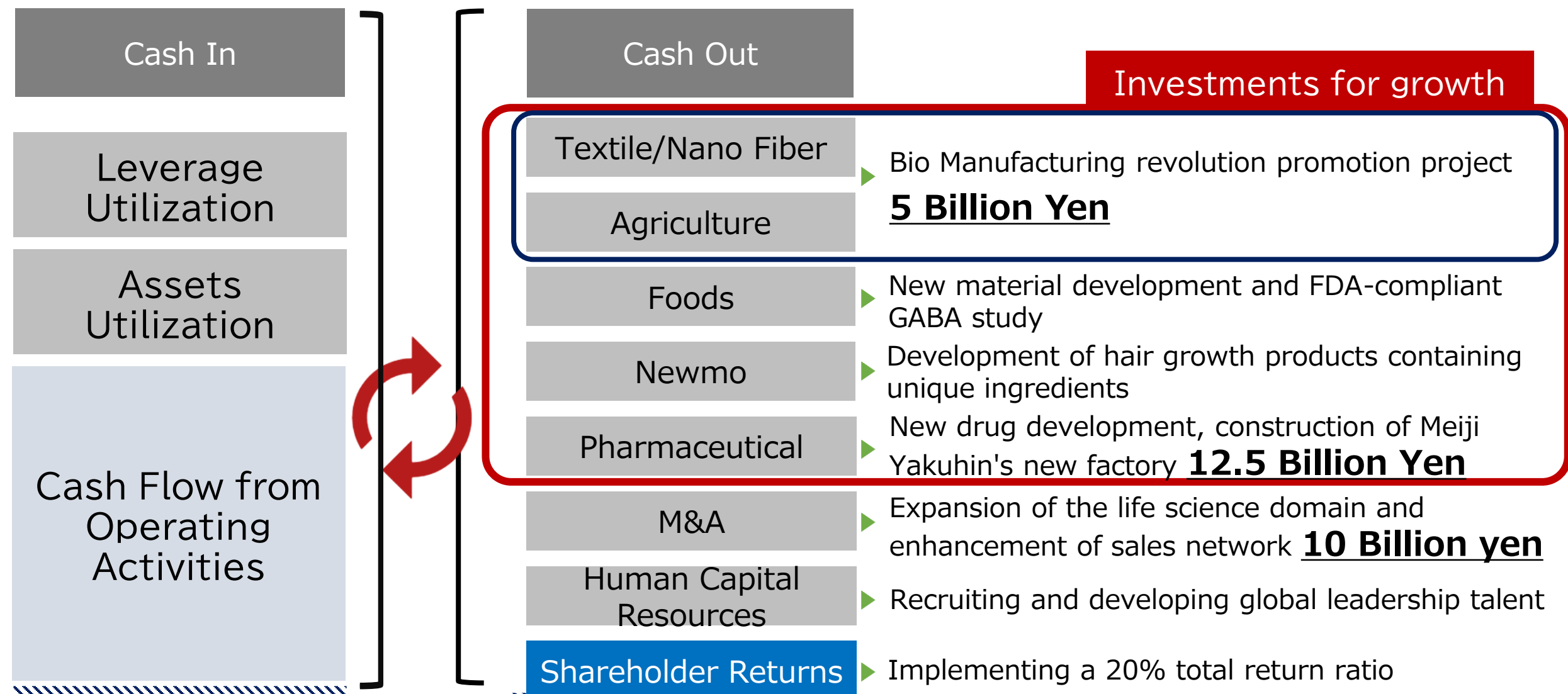


Generating outcomes from investments to enhance anticipation of future profit growth rates and profitability levels

# Initiatives to Improve Corporate Valuation

	Policies	
ROIC Improvement	Pursuing financial balance to improve capital profitability	Flexible management of short-term loan balances
	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
Capital Costs Decrease	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
Expectation of Future Growth	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.