Fiscal Year 2026 H1 (Interim) Financial Results Briefing

November 9, 2026
TSUMURA &CO.

Today's Content

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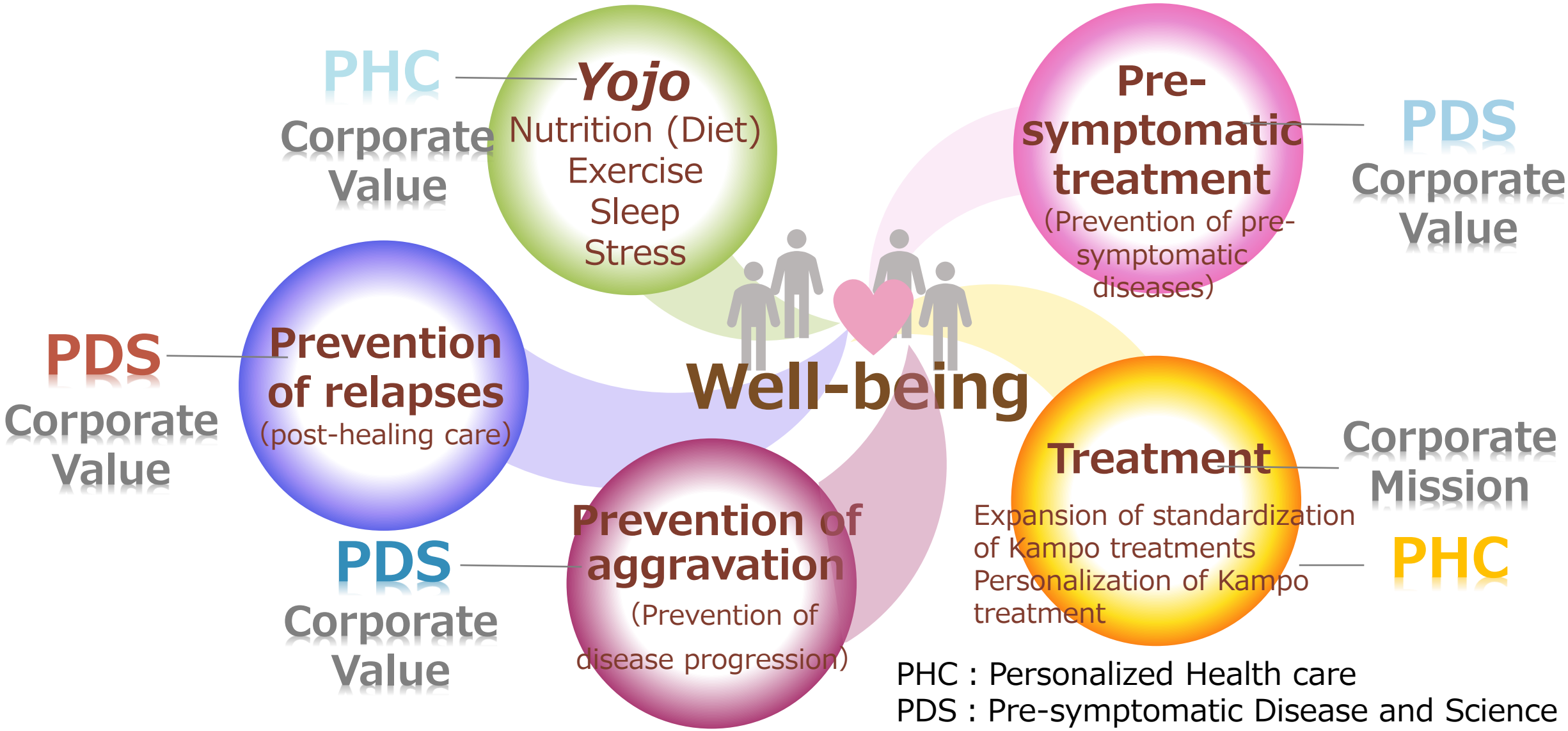
01 **Outlook for Achieving TSUMURA VISION “Cho-WA” 2031**

02 -Fiscal Year 2026 H1 (Interim) Financial Results Overview
-Revision of Fiscal Year 2026 Earnings Forecast

What TSUMURA VISION “Cho-WA” 2031 Aims to Achieve

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Corporate Purpose: Lively Living for Everyone

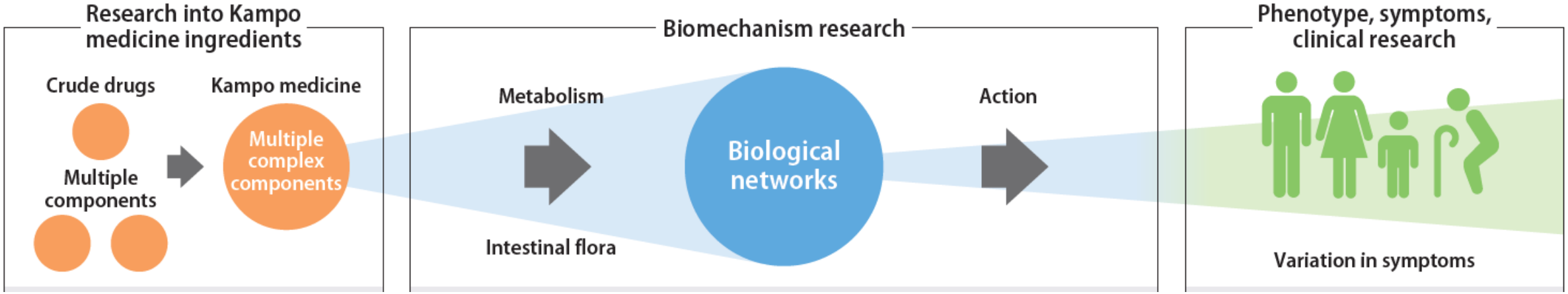


PHC : Personalized Health care
PDS : Pre-symptomatic Disease and Science

KAMPOmics® Paving the Way for the Scientific Elucidation of Pre-symptomatic Disease and Personalized Kampo Treatment

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KAMPOmics®



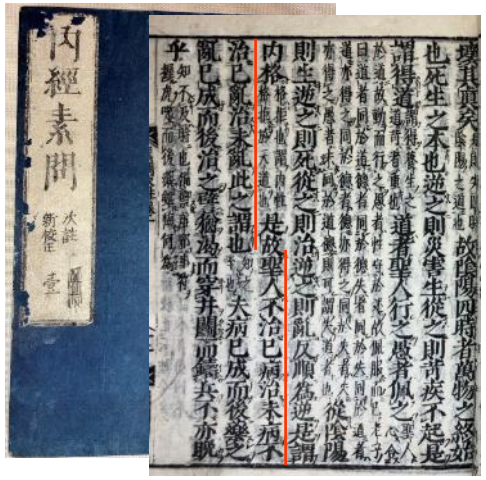
KAMPOmics® is TSUMURA's proprietary research framework (registered trademark), developed by combining research in advanced technology fields cultivated by TSUMURA, including metabolomics, genetics, gut microbiota, and systems biology, to enable an integrated understanding of Kampo medicine, Japan's traditional medicine, and the mechanisms of action of complex, multi-component Kampo medicines.

PDS
Pre-symptomatic Disease and Science

PHC
Personalized Health care

- **Scientific elucidation of pre-symptomatic disease through intron retention (pre-symptomatic disease testing services & Kampo treatment)**
- Pre-symptomatic disease and personalized medicine for sensitivity to cold (application of the Kampo diagnostic support system)
- Research and development of responder markers focusing on gut microbiota, metabolomics, and other factors

“Treating Pre-symptomatic Disease” in Kampo Medicine



“The sage does not wait until a disease has fully developed before treating a patient, but anticipates its onset and takes preventive action through treatment **(treating pre-symptomatic disease)**.” (**Koteidaikei [Somon]**)

Kampo medicine emphasizes not only the treatment of diseases and symptoms but also the treatment of pre-symptomatic disease, assessing an individual’s condition through the four diagnostic methods based on subjective complaints, physical findings, and other observations.

Pre-symptomatic Disease in Kampo Medicine

A condition in which subjective symptoms are present despite no abnormalities being detected by standard medical examinations

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Pre-symptomatic Disease in Western Medicine

A condition in which health checkup and other test values are near the limits of the reference range but do not meet the diagnostic criteria for a disease

Three Preventive Measures

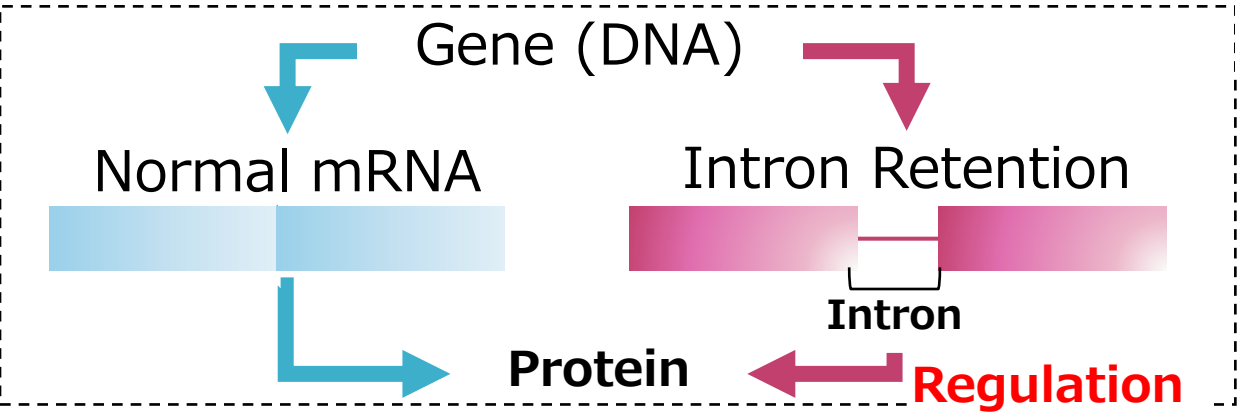
- **Pre-symptomatic treatment (Prevention)**
- **Prevent disease from becoming serious (Prevent change in existing disease)**
- **Prevent relapses（Post-healing care）**

KAMPOmics®

Scientific Elucidation of Pre-symptomatic Disease through Intron Retention (IR)

Joint Research: **Norihiro Okada**, "Healthy Longevity Genome Course," School of Pharmacy, Kitasato University

Intron Retention (IR)



Evaluation of Intron Retention (IR) Status Using Human Blood Samples

Notice of Publication of a Paper on the Potential of a Novel Molecular Marker for Visualizing "Pre-symptomatic Disease" Using Intron Retention (IR)

May 11, 2026 From the Company's News Release

Through joint research with the "Healthy Longevity Genome Course" at Kitasato University School of Pharmacy, we found that the RNA processing state known as intron retention (IR) is involved in an upstream regulatory layer that reflects disruptions in cellular homeostasis and has the potential to serve as a promising biomarker (molecular marker) for visualizing pre-symptomatic disease.

These findings suggest the potential not only to objectively visualize changes in health status but also to evaluate the effects of interventions, and are expected to provide an important research foundation for advancing the social implementation of approaches in the field of pre-symptomatic disease.

Progress of the Scientific Elucidation of Pre-symptomatic Disease

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First Medium-term Management plan(FY2022-2024)	Second Medium-term Management plan(FY2025-2027)	Third Medium-term Management plan(FY2028-2031)
Basic evidence	Clinical application of IR pre-symptomatic disease markers	Validation for Social Implementation

Evidence Building

- Clinical research: Evidence Building for IR as a Marker of Depressive Symptoms
- Clinical research: IR biomarkers for pre-symptomatic disease; Validation for depressive symptoms
- Clinical research: IR biomarkers for pre-symptomatic disease; Performance validation in clinical cohorts and other settings
- Implementation Validation: Pilot Evaluation
- Social Implementation
- Basic research: Evidence Building for Kampo Medicines in Aging-Related Conditions and Other Areas Using IR
- Clinical research: IR biomarkers for pre-symptomatic disease; Evidence building for biomarkers for frailty
- Implementation Validation
- Social Implementation

IR Diagnostic Development

Candidate Markers

- Technology development: IR Diagnostic Kit Development
- Performance Evaluation: Performance validation in clinical cohorts and other settings
- Implementation Validation: Pilot Evaluation
- Establishment of IR Diagnostics

Advancing from Research Outcomes to Development and Implementation

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TSUMURA Advanced Pre-symptomatic Disease Research Institute (tentative name)

FY2029: Establishment of an R&D framework in Kashiwa-no-ha is planned



Image (Kashiwa-no-ha Satellite Lab)

2025

Planning and Concept Design

Assay Development (Reagent Design)

2027

Prototype Development

Basic Evaluation

Measurement Method Development

Performance Verification

Validation in clinical cohorts and other settings

2029

Collaboration with Testing Laboratories

Manufacturing Scale-Up

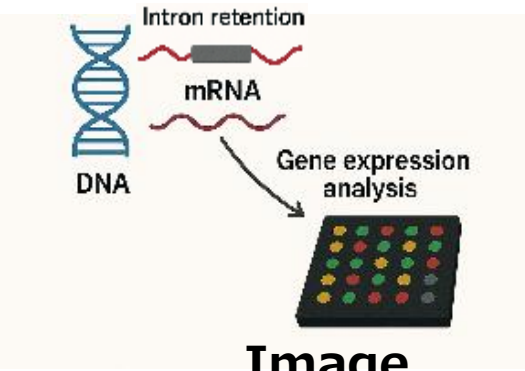
Consideration of alliances with other companies for manufacturing and services

2031

Diagnostic Kit Development

Pre-Market Evaluation

Commercialization

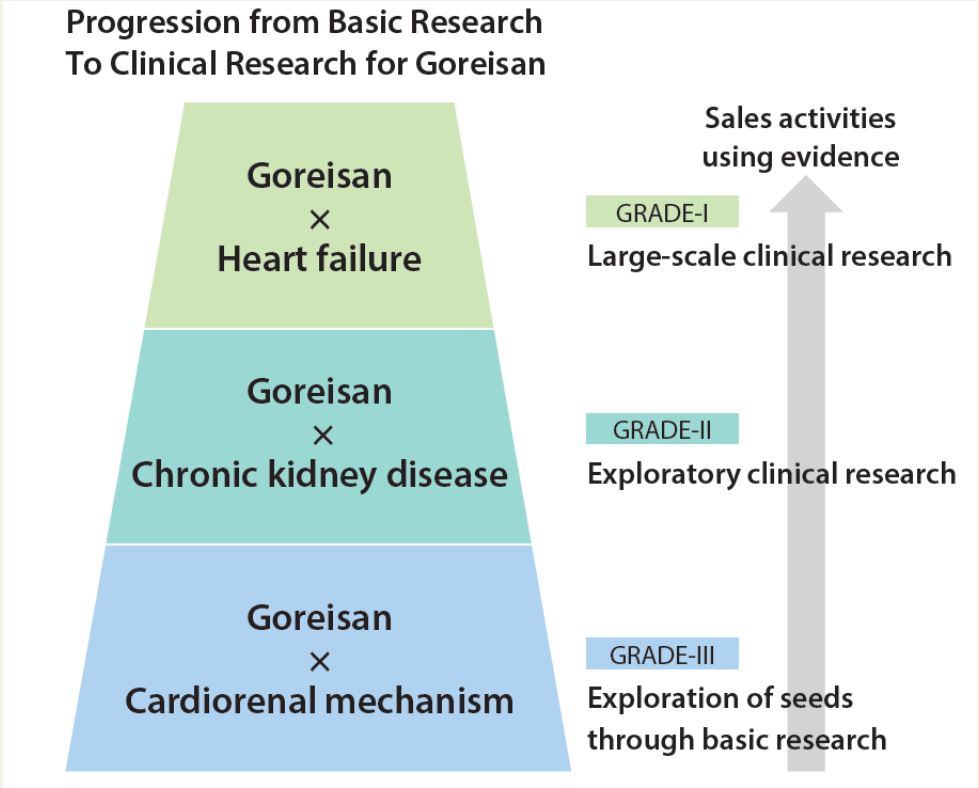


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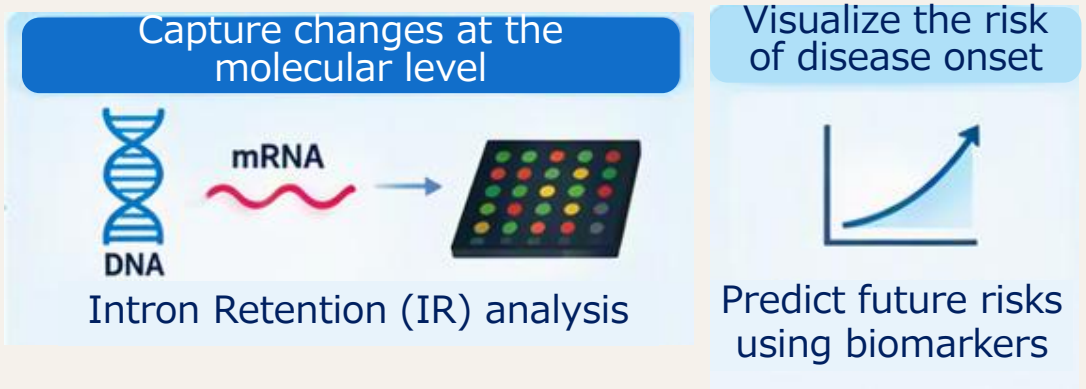
Domestic business: Sustainable Growth of the Prescription Kampo Market

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Creation of new Kampo treatment options through evidence building



Creation of new value and markets through the scientific elucidation of pre-symptomatic disease



Early detection and early intervention for pre-symptomatic disease (including prescription of Kampo medicines)

Increase in the number of physicians prescribing basic prescriptions for treatment areas based on Kampo medicine

China business: Future Development of Three Businesses

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First Medium-term Management plan (FY2022-2024)	Second Medium-term Management plan (FY2025-2027)	Third Medium-term Management plan (FY2028-2031)

Crude drug and Drug pieces business

Partnership with Hongqiao Drug Pieces
Establishment of the business foundation



Drug pieces

Expansion of the value-added crude drug pieces service “Personalized Medicine”



Liquid Extract



Extract powder

Health products



Yakushoku Dogen products leveraging the TSUMURA Group’s strengths in crude drug quality

Traditional Chinese medical products business



Traditional Chinese Medicine Formulations

China business: Vision for the Crude Drug Pieces Business

Aim to expand the crude drug pieces business by building a business model that enhances treatment value and convenience, leveraging high-quality crude drugs and "Personalized Medicine," while exploring expansion into other highly populated regions.

Hongqiao Drug Pieces

- Manufacturing and sales of a wide range of crude drug pieces
- Strong sales channels in the Shanghai market
- Established brand presence for crude drug pieces in Shanghai



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TSUMURA Group's Strengths





High-quality crude drugs managed from cultivation in accordance with GACP





value-added crude drug pieces service, "Personalized Medicine"

Strengthen the business foundation for *Yojo* through collaboration with Yomeishu Seizo

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次のすこやかさへ、一歩一歩

Yomeishu

Prescription Kampo formulations
Quality, Technology, Information

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Medicinal Tonic Market Share
99.9%

Quality, Technology, and Information Cultivated Through prescription Kampo Formulations, Along with Research Expertise in Crude Drugs and Multi-Ingredient Formulations

Dominant Market Share in the Medicinal Tonic Market and Strong Brand Equity of Yomeishu in the Nutritional Tonic Market

Source: ID-POS data (drugstore panel of approximately 500 stores nationwide, Apr. 2025–Mar. 2026); share of purchase value in the medicinal liquor category

- **Revitalization of the Medicinal Tonic Market**
- **Development of New Products to Drive Future Growth**
- **A Leading Pioneer in *Yojo* (Holistic Health and Wellness)**

Yojo Hub: Yomeishu *Yojo* no Mori

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A hub for learning about and experiencing *Yojo*, connecting these experiences to the realization of well-being



Komagane City, Nagano Prefecture

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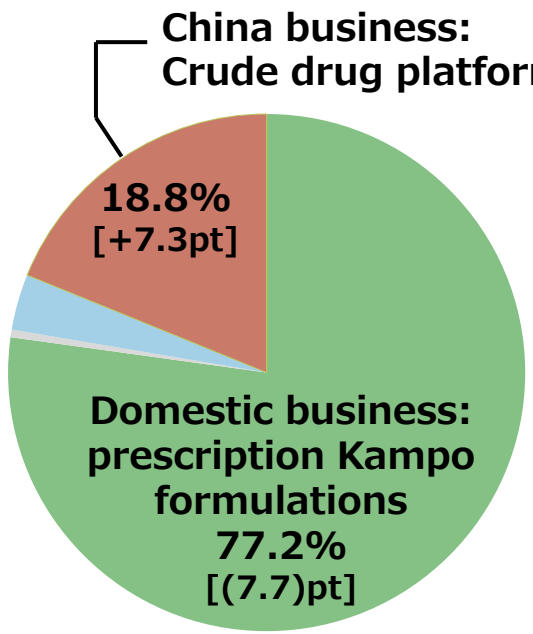
H1(Interim Period) Business Results for Fiscal 2026

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[billion yen]	Fiscal Year 2026 H1 Initial Plan	Fiscal Year 2026 H1 Actual	Achievement Rate	Year-on-Year Comparison	
				Amount	Rate of Increase/Decrease
Sales	**102.5**	**103.4**	**100.9%**	**+13.5**	**+15.1%**
Domestic business	81.7	83.9	102.7%	+4.4	+5.5%
China business	20.8	19.4	93.7%	+9.1	+88.2%
Operating Profit	**17.2**	**18.8**	**109.6%**	**+1.7**	**+10.1%**
Domestic business	16.3	17.3	106.6%	+0.2	+1.4%
China business	0.9	1.4	163.5%	+1.4	–
Ordinary Profit	**16.4**	**20.3**	**123.9%**	**+3.8**	**+23.7%**
Attributable to Parent Company Shareholders **Interim Net Profit**	**11.1**	**16.2**	**146.0%**	**+3.7**	**+29.9%**

* Yomeishu Seizo has been consolidated into the Company's financial statements since September 2026

Sales Composition Ratio



[ ] : YoY

Domestic business:
Healthcare products
(OTC Kampo medicine, etc.)
3.5% [+0.5pt]

Domestic business:
Other prescriptions 0.5%[(0.1)pt]

Key Points in Performance

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Sales	103.4	billion yen	FY2026 H1 achievement rate*	100.9%	YoY	+15.1%

- Domestic Business: Total sales for 129 prescriptions Kampo formulations: 79.8 billion yen, up 4.7% YoY
  Total sales of healthcare products (OTC Kampo medicine, Yomeishu etc.) : 3.6 billion yen, up 32.8% YoY
- China Business: Raw material crude drug , drug pieces , health products: 19.4 billion yen, up 88.2% YoY

Operating profit	18.8	billion yen	FY2026 H1 achievement rate*	109.6%	YoY	+10.1%
Operating profit margin	18.2	%	versus FY2026 H1 plan*	+1.4pt	YoY	(0.8)pt

- Cost rate:53.0%
  Vs plan*: (0.5) pt (Decline in the Share of Revenue from the China Business)
  YoY :+1.4pt (Impact of exchange rates and higher sales contribution from the China Business)
- SG&A expense ratio: 28.8%
  Vs plan*: (1.0)pt (review of various activities and timing shifts)
  YoY: (0.5)pt (Increase in sales offset higher R&D expenses and other costs)

Ordinary profit	20.3	billion yen	FY2026 H1 achievement rate*	123.9%	YoY	+23.7%

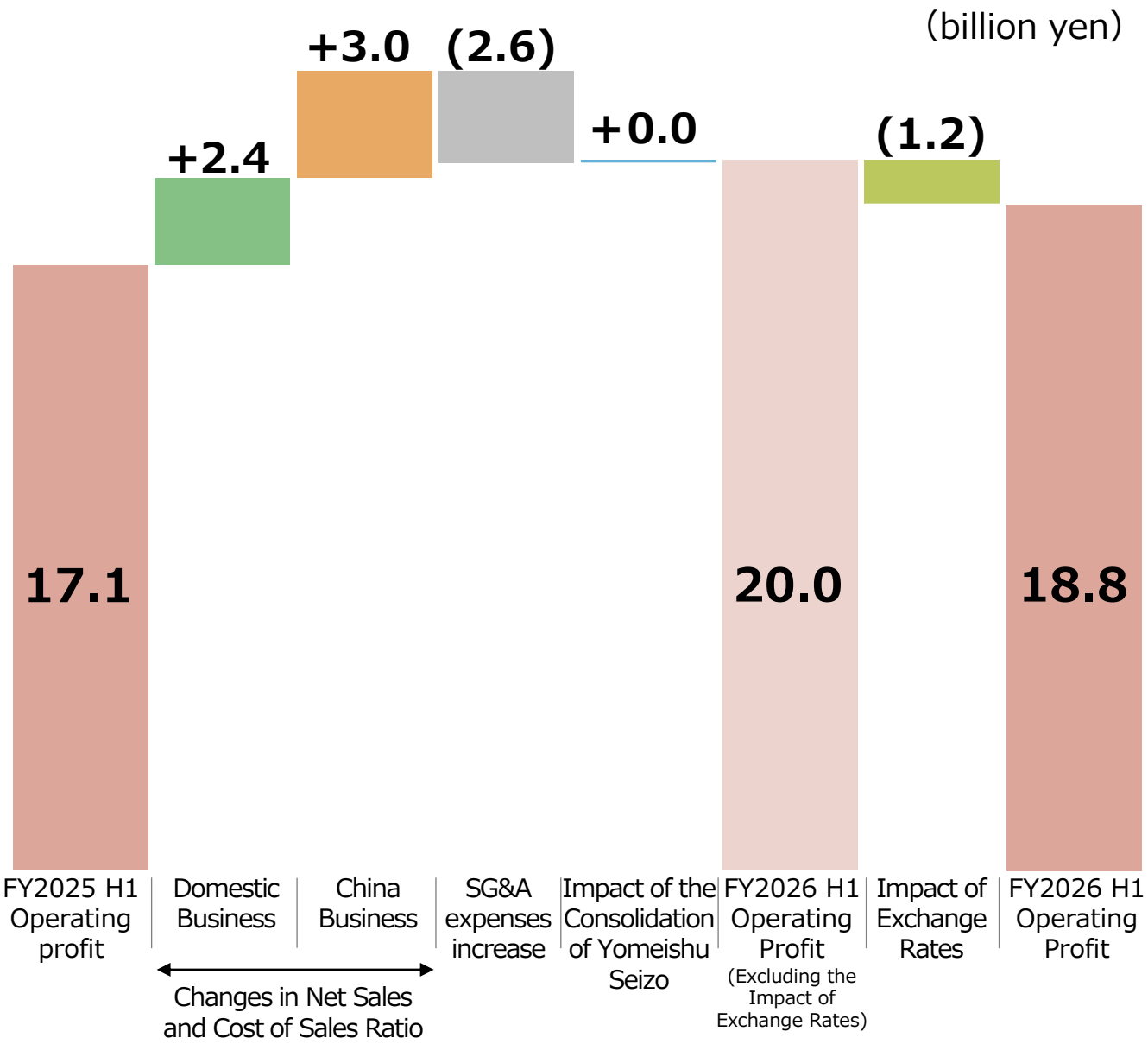
- Foreign exchange gain on loans to overseas subsidiaries: 2.0 billion yen
- Foreign Exchange Loss in the Same Period of the Previous Year: 0.7 billion yen

Interim Net Profit attributable to owners of parent	16.2	billion yen	FY2026 H1 achievement rate*	146.0%	YoY	+29.9%

- Gain on Bargain Purchase Arising from the Acquisition of Yomeishu Seizo Shares: 1.7 billion yen
  (Provisional Amount Prior to Completion of PPA)
- Gain on Sale of Cross-Shareholdings: 1.3 billion yen YoY: (0.6) billion yen

＊ vs. Initial Plan Announced on May 13

Factors for Changes in Operating Profit (YoY)



Domestic Business +2.4 billion yen*1	
Increase in Sales (Sales Volume, Sales Mix)	+1.9
Decrease in Cost of Sales Ratio	+0.5
Crude Drug Costs	+0.6
Raw Material and Packaging Costs	(0.4)
Processing Costs	+0.3

China Business +3.0 billion yen	
Increase in Sales	+0.9
Decrease in Cost of Sales Ratio	+2.0

Increase in SG&A expenses (2.6)billion yen*1	
Consolidation of Hongqiao drug pieces (including amortization of intangible assets and goodwill: (0.7))	(1.6)
Salary and allowances*2	+0.1
Research and Development Expenses*2	(0.4)
Others*2	(0.5)

Impact of the Consolidation of Yomeishu Seizo +88 million yen

Impact of exchange rates (1.2) billion yen

*1 Excluding the Impact of the Consolidation of Yomeishu Seizo
*2 Excluding the Impact of the Consolidation of Hongqiao Drug Pieces

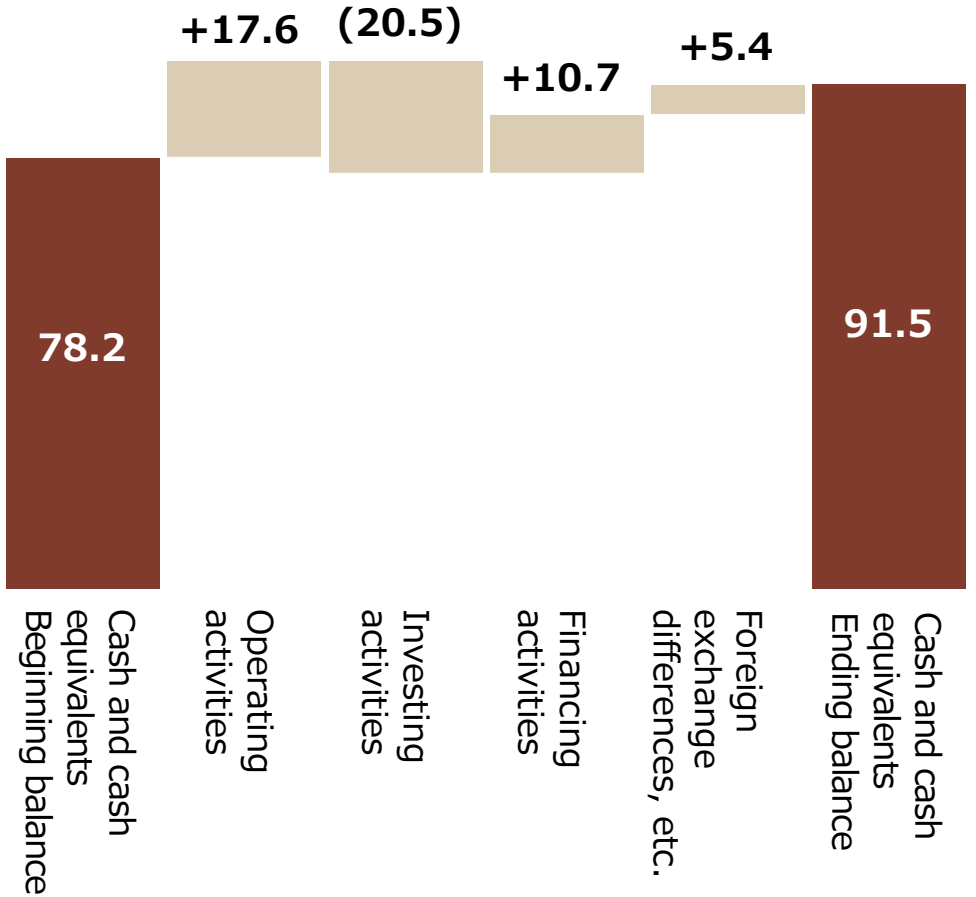
Financial condition and cash flow

(billion yen)

	FY2025 (as of the end of March 2026)	FY2026 2Q	Amount of increase/ decrease	(Reference) Yomeishu Seizo Non-Consolidated Balance Sheet*
Total Assets	**592.7**	**657.3**	**64.6**	**19.4**
Current Assets	349.2	388.2	39.0	13.7
Non-current Assets	243.5	269.1	25.6	5.7
Total Liabilities	**221.1**	**261.6**	**40.4**	**10.7**
Current liabilities	83.2	118.8	35.6	10.6
Non-current liabilities	137.9	142.7	4.8	0.0
Total Net Assets	**371.6**	**395.7**	**24.1**	**8.7**
Equity Ratio	54.3%	51.7%	(2.6)pt	

	FY2025 (as of the end of March 2026)	FY2026 2Q	Amount of increase/ decrease	Of which, foreign exchange
Total inventory assets	**164.0**	**173.7**	**9.7**	6.1
Merchandise and Products	24.2	23.5	(0.7)	0.4
Work in Progress	25.1	30.9	5.8	0.3
Raw materials and stored goods	114.6	119.2	4.5	5.3

(billion yen)



* Figures for Yomeishu Seizo are based on its non-consolidated balance sheet and do not reflect the impact of consolidation adjustments or other related entries

Domestic business:
Sales by prescription of prescription Kampo formulations

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(Million yen)

	Sales Ranking	Product No. / Formulation Name	FY2025 H1 Results	FY2026 H1 results	YoY		[Reference: Actual Sales Volume*] YoY
Drug-fostering program formulations	1	100 Daikenchuto	7,361	7,684	+322	+4.4%	+3.3%
	2	54 Yokukansan	5,600	5,755	+154	+2.8%	+1.1%
	5	43 Rikkunshito	3,600	3,792	+192	+5.3%	+2.8%
	7	107 Goshajinkigan	2,783	2,999	+215	+7.8%	+5.3%
	25	14 Hangeshashinto	759	837	+78	+10.3%	+7.7%
Total of drug-fostering program formulations			20,105	21,069	+963	+4.8%	+3.0%
"Growing" formulations	3	17 Goreisan	4,299	4,949	+649	+15.1%	+16.2%
	4	41 Hochuekkito	3,866	3,875	+9	+0.2%	(1.6)%
	9	24 Kamishoyosan	2,513	2,719	+206	+8.2%	+5.0%
	17	137 Kamikihito	1,207	1,345	+137	+11.4%	+9.0%
	20	108 Ninjin'yoeito	1,003	1,089	+86	+8.6%	+2.5%
Total of "growing" formulations			12,889	13,978	+1,088	+8.4%	+8.3%
Total of 119 prescriptions excluding Drug-fostering program formulations and "Growing" formulations			43,277	44,796	+1,518	+3.5%	+2.1%
Total of 129 prescription Kampo formulations			76,273	79,843	+3,570	+4.7%	+3.2%

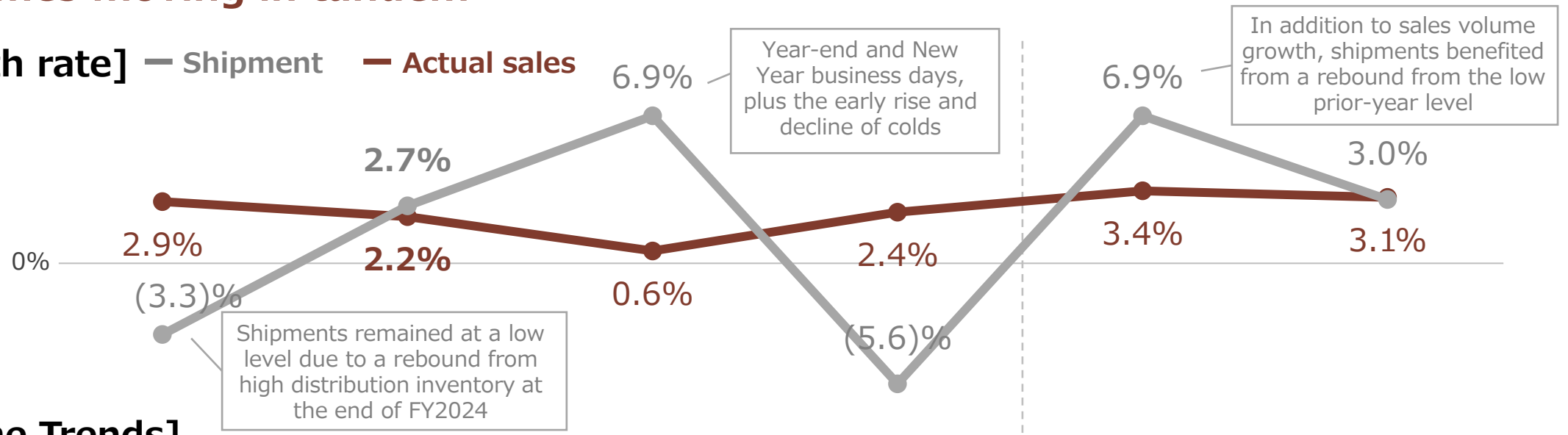
*Actual sales quantity refers to the quantity delivered from pharmaceutical agents and wholesalers to medical institutions.

Domestic business:
Quarterly trends in Shipment and Actual sales volumes

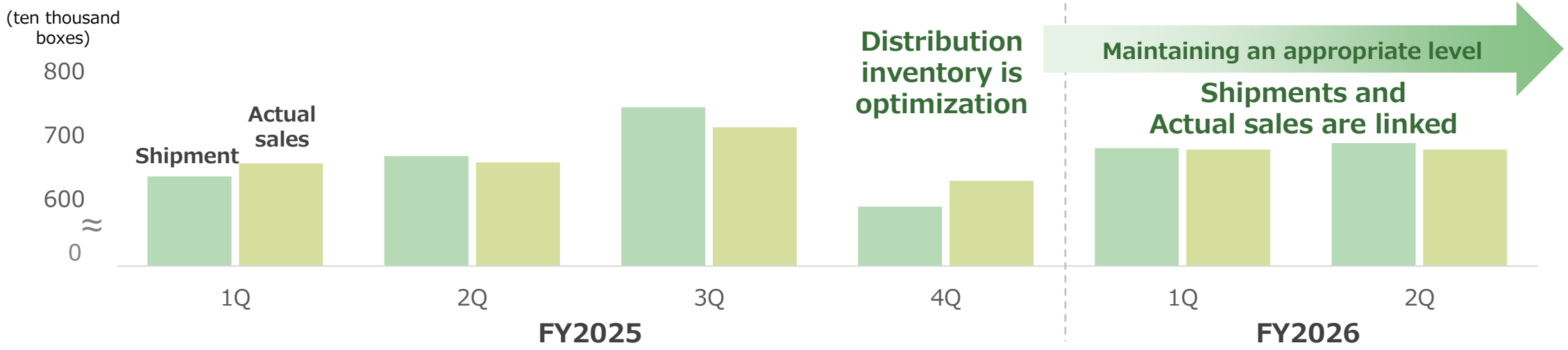
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Distribution inventories remain at appropriate levels, with shipments and Actual Sales volumes moving in tandem

[Growth rate] Shipment — Actual sales



[Volume Trends]

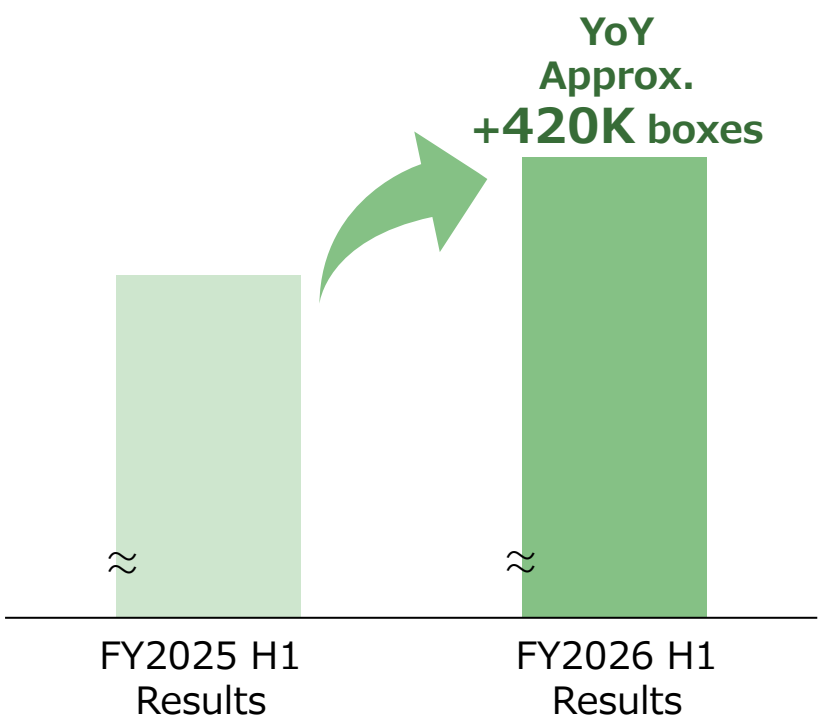


Domestic business:
H1 Actual Sales of Prescription Kampo Formulations

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Negative impact of external factors was more than offset by the effects of various measures, resulting in significant growth

H1 Actual Sales Volume Trends



[Key Drivers of Increase]

	YoY
● Significant growth in Goreisan due to increased rainfall	Approx. +130K boxes
● Continued effects of Existing Measures (including cancer- and women's health-related areas)	Approx. +290K boxes
● Growth from New Measures	Approx. +50K boxes

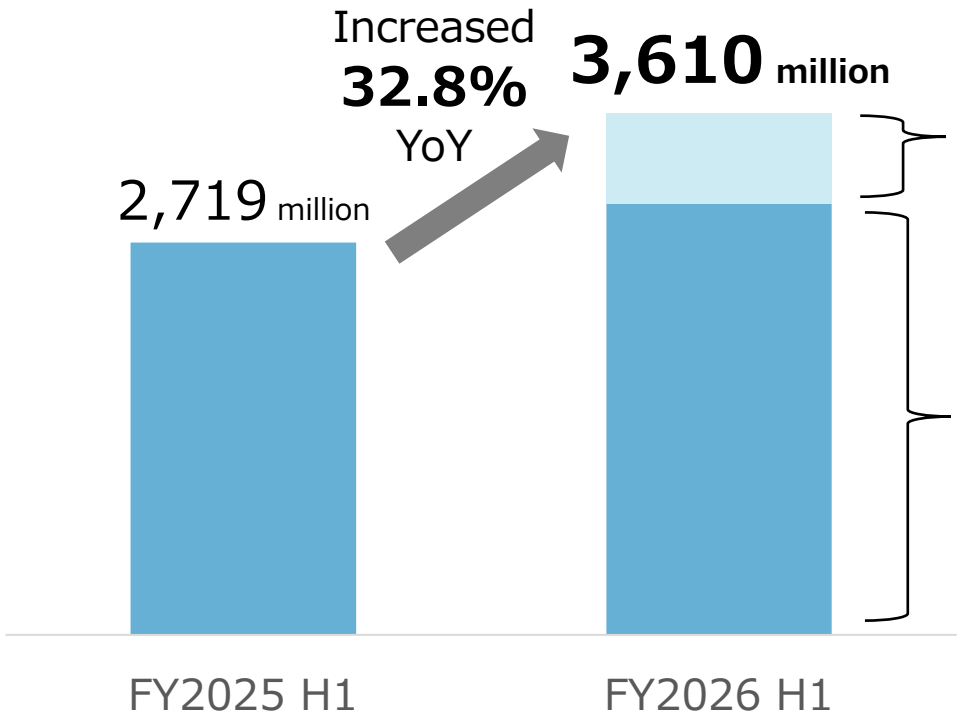
[Key Drivers of Decrease]

● Decrease in prescriptions for summer heat- and weight loss-related conditions due to unfavorable summer weather and a shorter period of lingering heat	Approx. -30K boxes
● Cold-related prescriptions remained lower than usual	Approx. -20K boxes

Domestic business: Healthcare Products

- **Yomeishu Seizo has been consolidated since September 2026**
- **Healthcare Products sales increased 32.8% YoY**

Healthcare Products Sales



Yomeishu Seizo
Consolidation Effect
+624million


Yomeishu


Koken Seisai


Kuromoji Cough Drops


Herbal Porridge


Meguri no Osu


Wa-Yojo Nyumen


Yojo Soup

TSUMURA
Increased
9.8% YoY


OTC Kampo Formulations


Bath Herb


Ginellia


Throat Candy: Takameru Throat Candy


Yojun Soup


Fureika Soup

Revision of Performance Forecast for Fiscal Year 2026

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Revised earnings forecasts to reflect the new consolidation of Yomeishu Seizo and the sales outlook for the Domestic and China businesses

[billion yen]	FY2026 Initial Plan	FY2026 Revised Plan	Increase/Decrease		Reason for Revision
			Amount	Rate of Increase/Decrease	
Sales	**213.6**	**218.5**	**+4.9**	**+2.3%**	Domestic Business: Upward Revision to the Sales Forecast, Reflecting the New Consolidation of Yomeishu Seizo and Higher Sales Outlook for Prescription Kampo Formulations China Business: Downward Revision to the Sales Forecas
Domestic business	167.6	174.4	+6.8	+4.1%	
China business	46.0	44.1	(1.9)	(4.1)%	
Operating Profit	**37.5**	**38.4**	**+0.9**	**+2.4%**	Domestic Business: New Consolidation of Yomeishu Seizo and Review of SG&A Expenses, etc. China Business: Cost Reductions and Review of SG&A Expenses, etc.
Domestic business	34.8	35.6	+0.8	+2.3%	
China business	2.7	2.8	+0.1	+3.7%	
Ordinary Profit	**35.5**	**36.4**	**+0.9**	**+2.5%**	Profit Attributable to Owners of Parent: Gain on Sale of Cross-Shareholdings and Gain on Bargain Purchase Arising from the Acquisition of Yomeishu Seizo Shares
Attributable to Parent Company Shareholders **Net Profit**	**26.2**	**29.3**	**+3.1**	**+11.8%**	

EPS	**351.46yen**	**393.03yen**
ROE	**8.0%**	**8.9%**

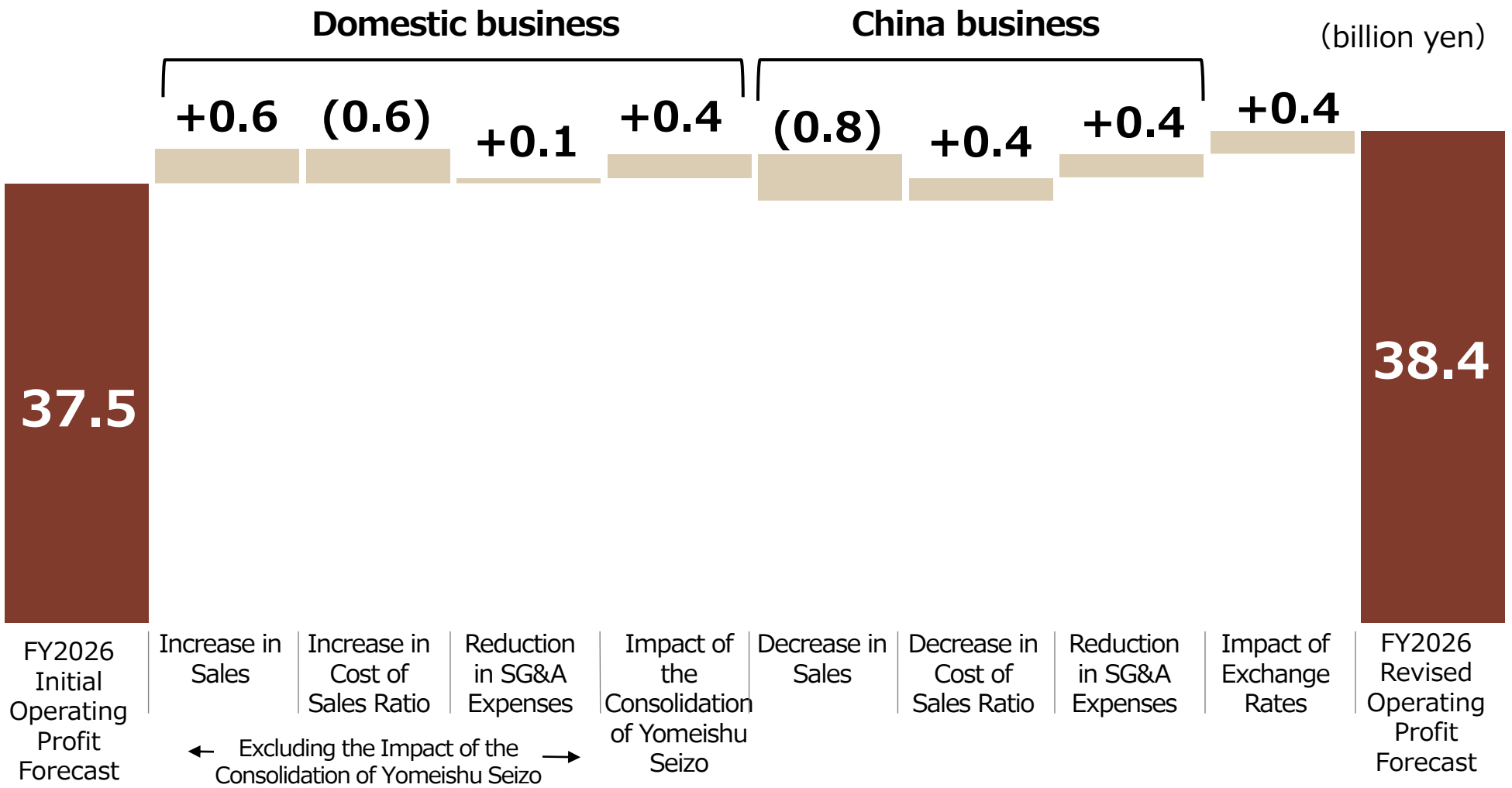
(Reference)	FY2026 Initial Plan	FY2026 Revised Plan
Operating Profit Before Goodwill Amortization＊2	**38.6 billion yen**	**39.5billion yen**
EPS on the Same Basis＊2	**366.20yen**	**407.78yen**
ROE on the Same Basis＊2	**8.3%**	**9.2%**
EBITDA (Same Margin)	**52.0 billion yen（24%）**	**52.9 billion yen（25%）**

＊1 Exchange rate revised from ¥22.6/yuan (Initial Plan) to ¥23.5/yuan (Revised Plan)

＊2 Adjusted only for goodwill amortization arising from the consolidation of Ping An Tsumura Pharmaceutical and Hongqiao Drug Pieces

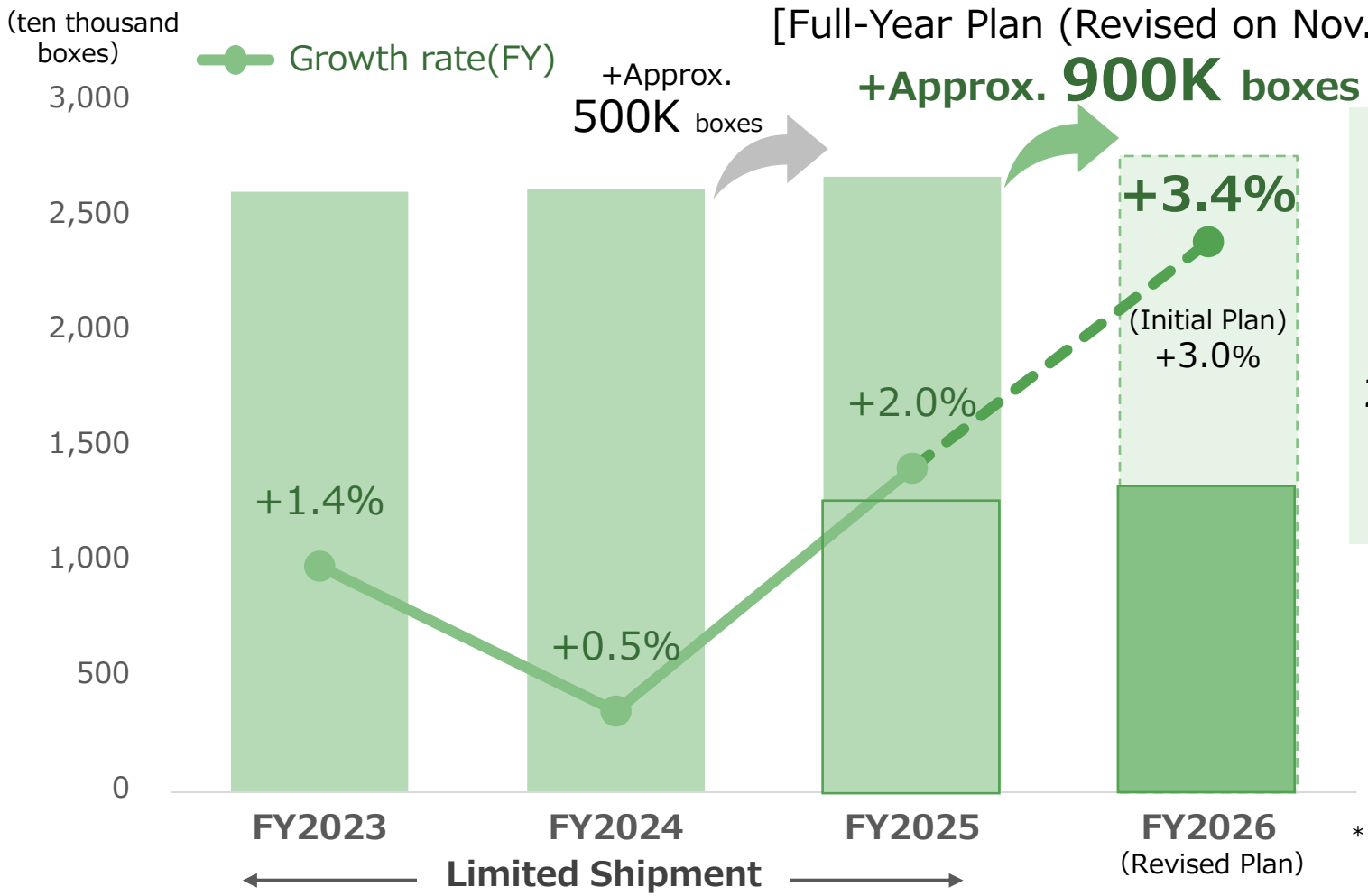
Factors Affecting the Operating Profit Forecast (vs. Initial Forecast)

Operating profit forecast revised upward to 38.4 billion yen, reflecting the new consolidation of Yomeishu Seizo and a review of SG&A expenses, among other factors



Domestic business: Actual Sales Volume of 129 Prescription Kampo Formulations (Revised Plan)

Revised the full-year plan based on H1 results; in H2, Actual Sales volume is planned to grow by 1 million boxes, in line with the Initial Plan



[Full-Year Plan (Revised on Nov. 9)]

+Approx. 500K boxes

+Approx. 900K boxes

	Initial Plan	Revised Plan
1. Effect of new measures *1	+Approx. 300K boxes	**+Approx. 300K boxes**
2. FY Growth pace Existing measures *2	+Approx. 500K boxes	**+Approx. 600K boxes**

H1 Results

1. New measures	+Approx. 50K boxes	+Approx. 420K boxes (+3.2%)
2. Exsisting measures	+Approx. 370K boxes	

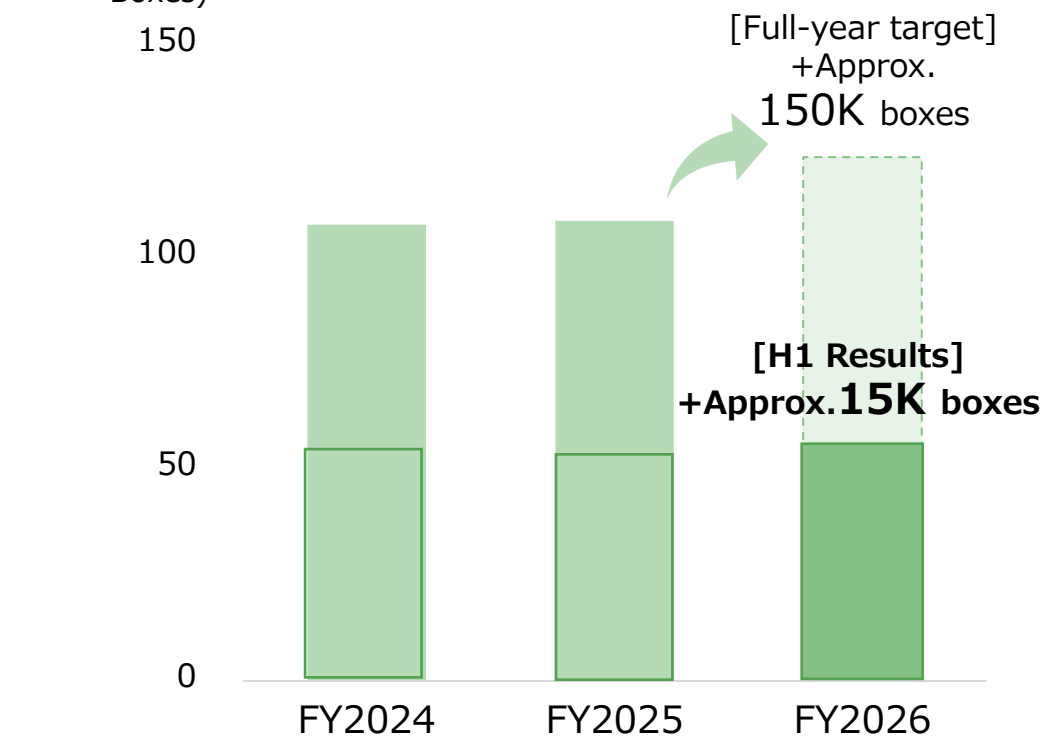
*1 Applicable Formulations: Rikkunshito, Yokukansan, Sansoninto, Yokukansankachimpihange, and Kamikihito

*2 The other 124 formulations, excluding the five formulations listed above

Domestic business: Strengthened promotion of Rikkunshito for gastrointestinal symptoms associated with Functional Dyspepsia

Measures gained momentum from Q2; further intensification of activities and greater impact are expected in H2

Trend of actual sales volume of Rikkunshito



Key Measures Implemented

Aim to Raise Awareness and Significantly Expand Prescription Opportunities Through Monthly Events

- May Continued Publication in ROME V
- Aug. New Materials for Physicians Webinar
- **Oct. New Materials for Patients**
- **Nov. Webinar**
- **Dec. Webinar**
- **Jan. New Materials for Physicians**
- **Feb. Large-Scale Webinar**



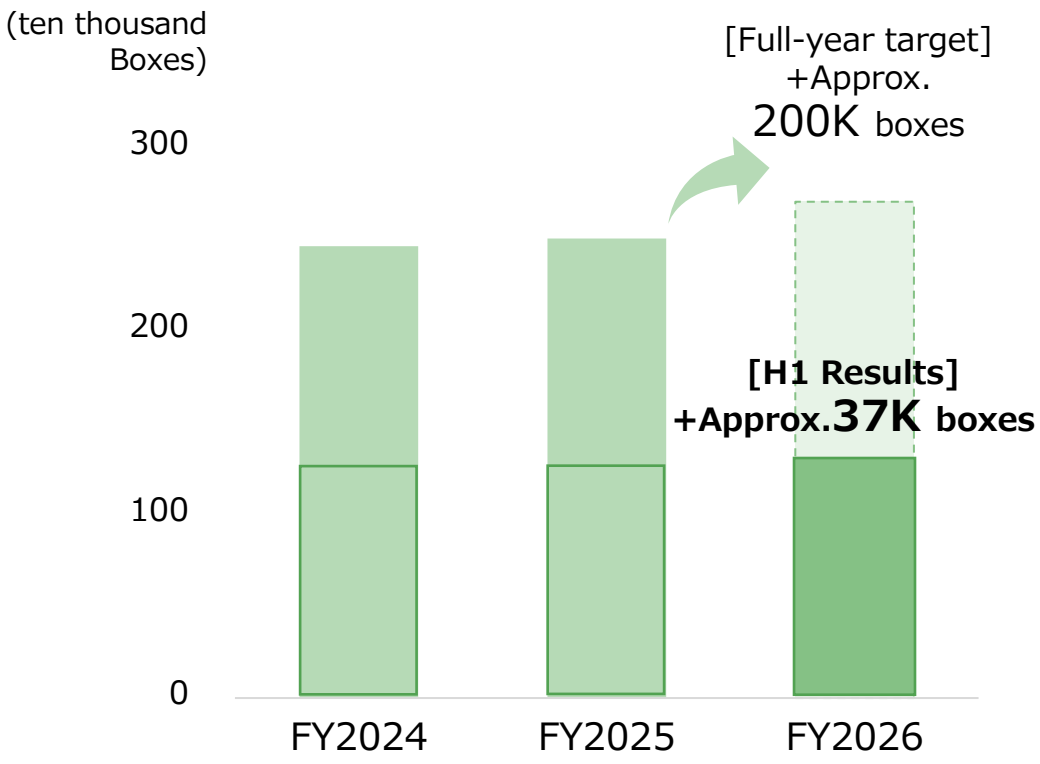
Invitation of Dr. Jan Tack

- Currently Conducting Clinical Research in Europe
- Leading Authority in Gastroenterology

Domestic business: Expansion of Kampo treatment for sleep disorders

Continue information-providing activities on the usefulness of Kampo for sleep disorders, with gradual growth expected

Trends in actual sales quantity of four sleep-related prescriptions



Key Measures Implemented

Aim to Expand Prescription Opportunities for Sleep Disorders Through Ongoing Promotional Activities

- May ・Webinar on Insomnia
  ・New Materials for Physicians
- Jul. "Sleep Disorders" Added as a Permitted Medical Specialty Display
  Approx. 270 Facilities Displaying It (as of End-Sep.)
- Sep. ・Webinar on Insomnia
  ・New Materials for Patients
- **Nov. New Materials for Physicians**
- **Jan. ・Webinar on Insomnia**
  ・New Materials for Physicians



Evidence-Based Usefulness of Kampo and Its Positioning in Treatment

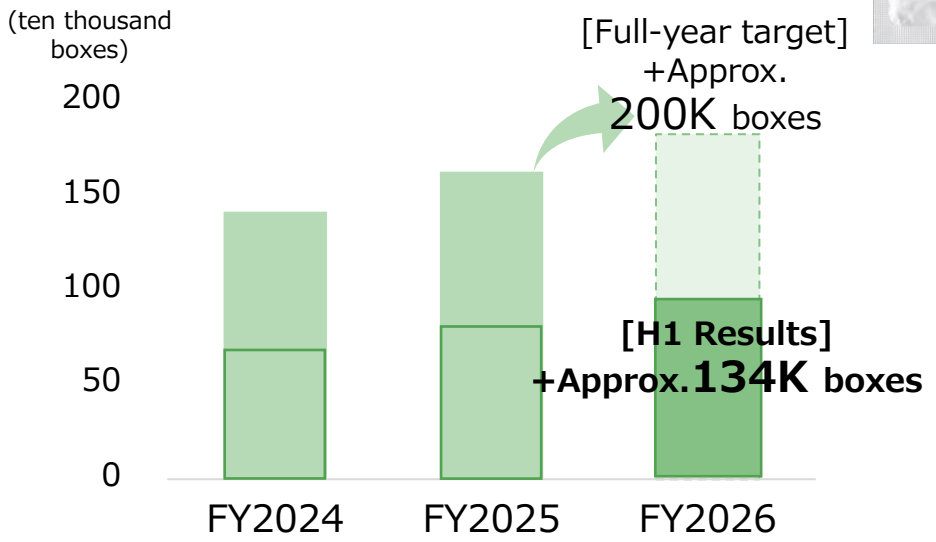
Continue to Drive Growth Through the Effects of Existing Measures, Building on First-Half Momentum

Growth of Goreisan

- **Significant Growth, Particularly in Weather-Related Illnesses**
- **Continue Promotional Activities Focusing on Headache and Dizziness**



Goreisan actual sales volume trends



Continued efforts focused on priority areas

Cancer area

Cancer caravan 2026

H1: Conducted in Jul. and Sep.
Over 9,000 Physicians Participated in Each Session

H2: Sessions Planned for Dec. and Feb.
+Regional Forums to Be Held

1H Actual Sales Volume Growth (YoY)



Hangeshashinto +7.7%



Goshajinkigan +5.3%

Women's health

A project to consult about menstrual issues

Participating Facilities: **Over 2,100**
+300 Facilities vs. End-Mar. 2026

Large-scale web lecture on women's health

H1: Conducted in Jun. and Sep.
Over 6,000 Physicians Viewed Each Session

H2: Sessions Planned for Oct. and Jan.

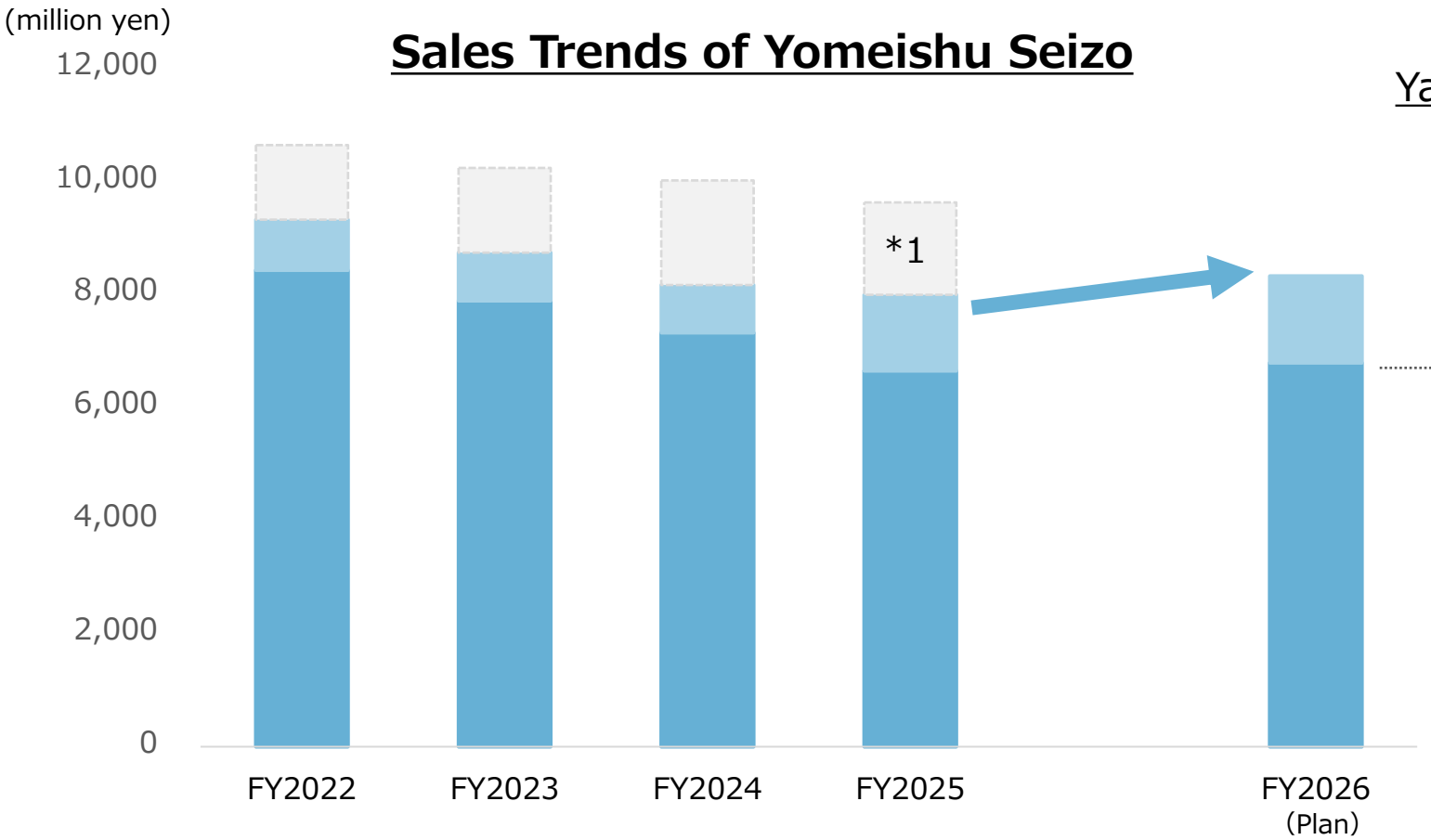


Kamishoyosan +5.0%

Domestic business (Healthcare): Yomeishu Seizo

- **Focus management resources on Yomeishu and strategically implement advertising, promotional, and sales measures**
- **Aim to reverse the sales trend from FY2026 and achieve sales of 10 billion yen at an early stage**

Sales Trends of Yomeishu Seizo



Yakushoku Dogen "*Yojo*" products



Koken Seisai



Kuromoji Cough Drops


Herbal Porridge etc

Yomeishu



Yomeishu

*1 Dotted lines indicate businesses that have been transferred or discontinued (including the Clasuwa-related business and solar power generation business)
*2 Consolidation into the TSUMURA Group began in September 2026. The graph covers FY2026 (April 2026 to March 2027)

Rebuild marketing around consumers' health needs and evolve Yomeishu into a brand that supports daily *Yojo* practices

Current Situation

Limited Customer Base Despite High Brand Awareness

- Strongly Associated with Consumers Aged 50 and Above
- High Awareness Has Yet to Translate into Broad-Based Purchasing

Target Position

Evolve into a Brand That Supports Daily *Yojo* Practices

- Sensitivity to Cold
- During and After Illness
- Health Issues Associated with Aging or Physical Constitution, etc.

Indications and Effects of Yomeishu
Nourishment and Invigoration in Cases of: Gastrointestinal Weakness, Loss of Appetite, Poor Blood Circulation, Sensitivity to Cold, Physical Fatigue, Weak Constitution, and During and After Illness

Launch of New TV Commercials and Cross-Media Strategy



Yomeishu TV Commercial (from Nov. 1)



Yojo no Mori TV Commercial (from Nov. 5, airing in Nagano Prefecture)

Launch of a Trial Size (300 mL)

New

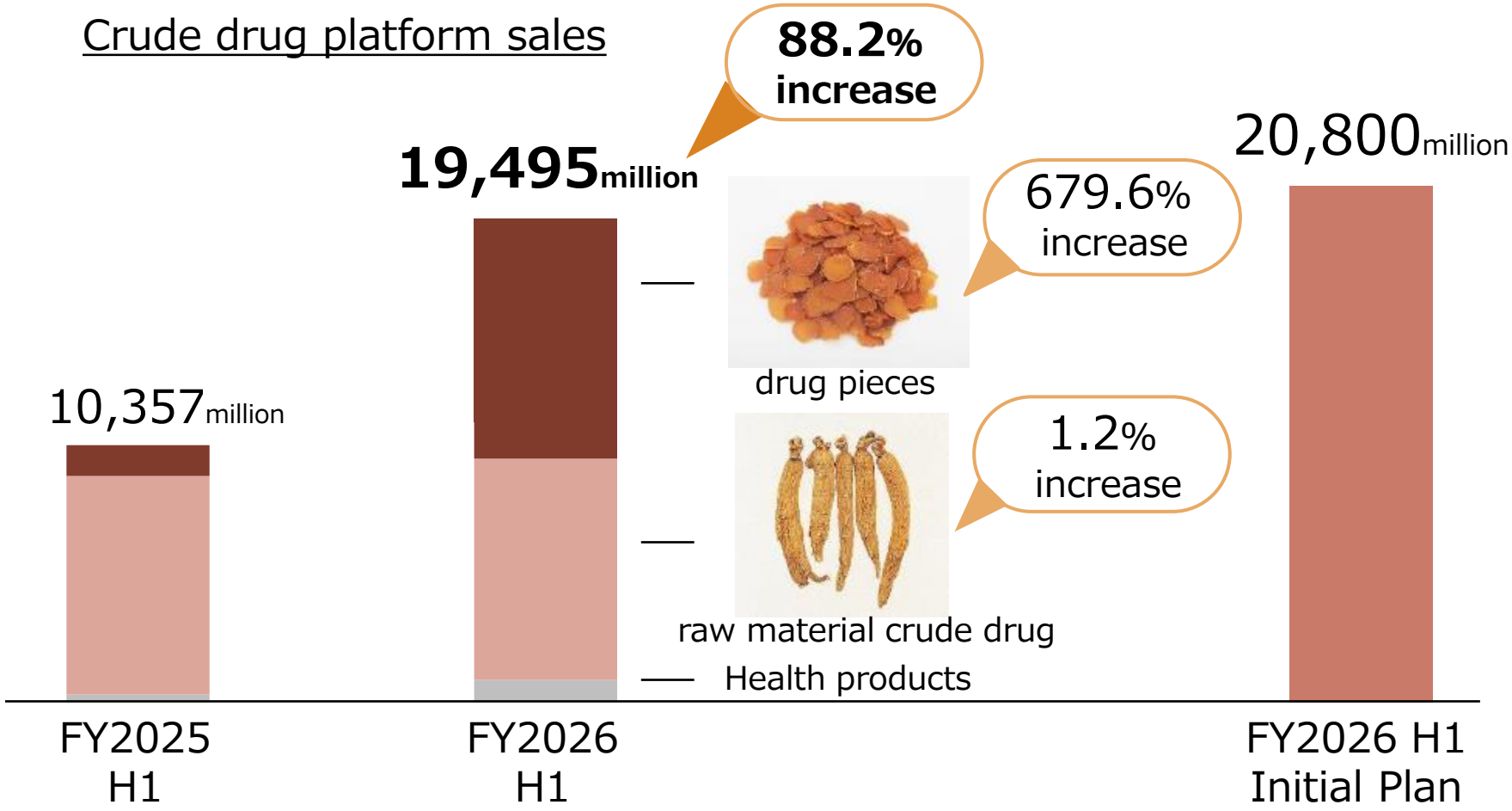


300ml　700ml*　1000ml*

＊Existing Product

China business: Crude drug platform Sales

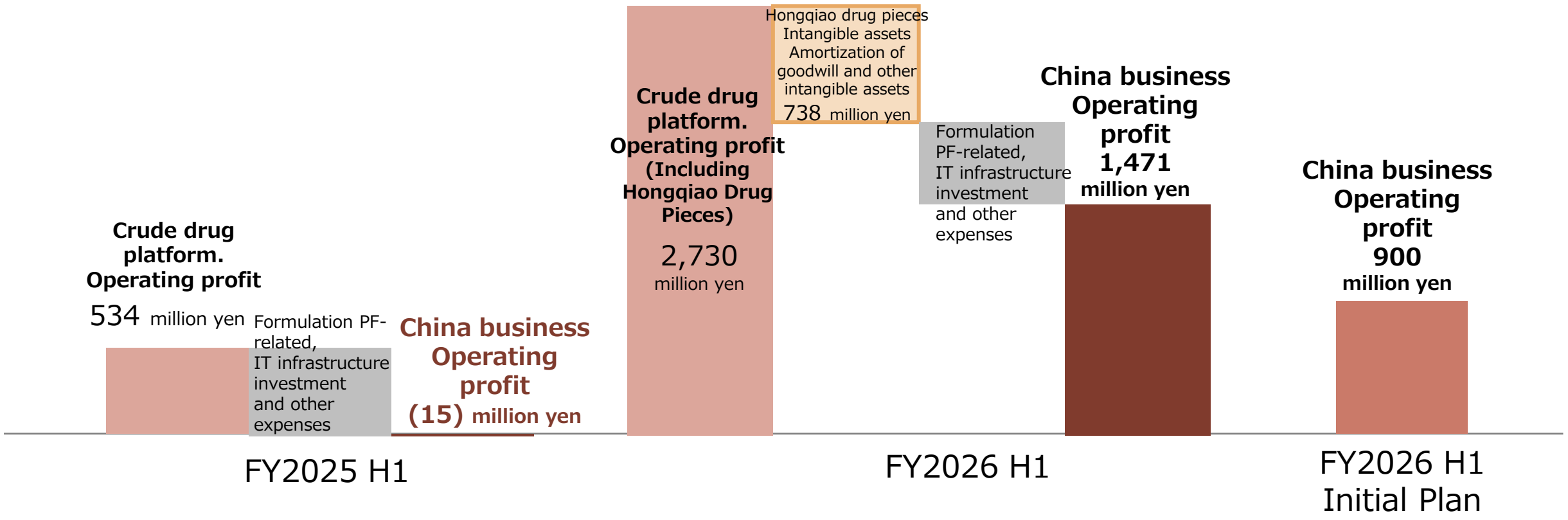
- **Sales of crude drug pieces increased significantly YoY, partly due to the consolidation of Hongqiao Drug Pieces**
- **Sales fell slightly short of plan due to lower selling prices and a decline in patient visits**



China business: Crude drug platform Operating profit

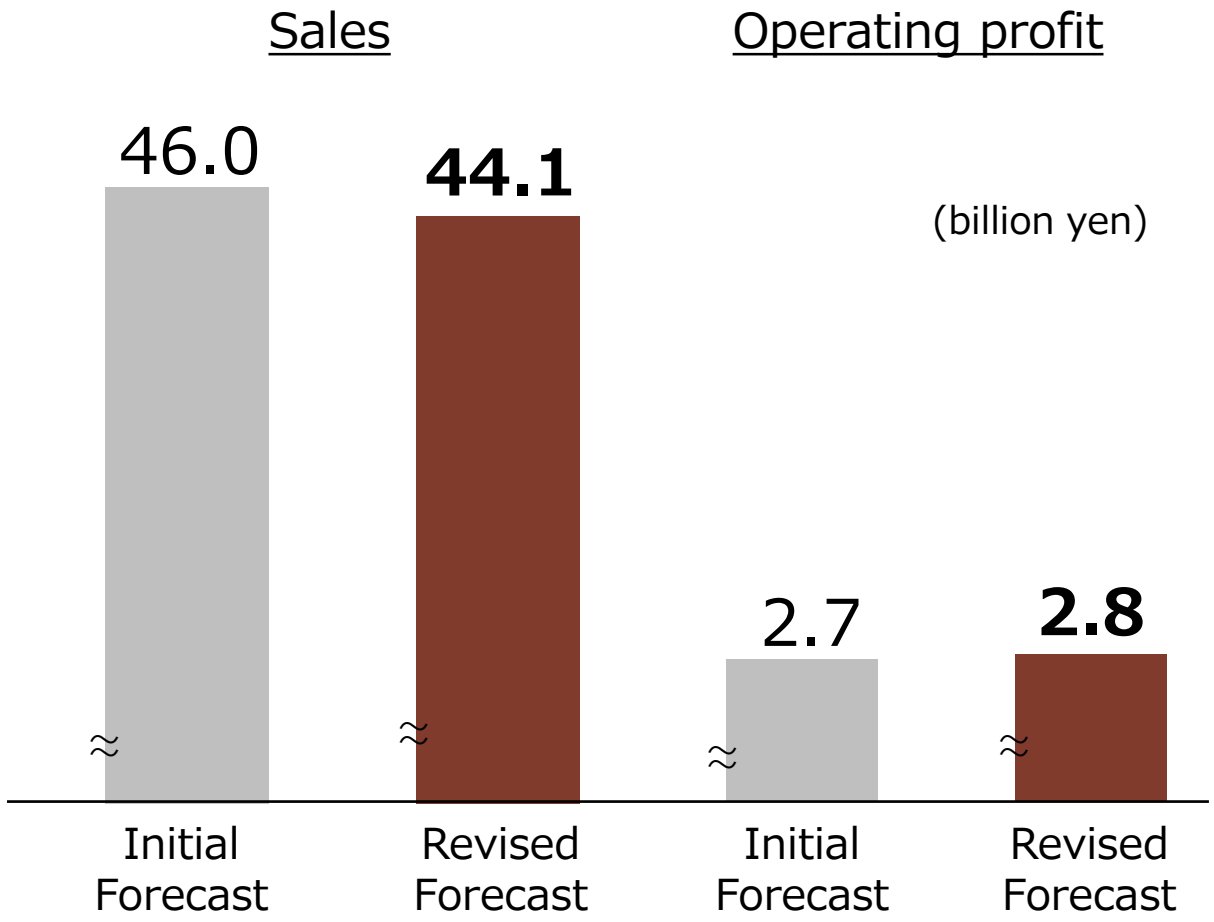
- **Achieved profitability as operating profit from the crude drug platform increased significantly due to the consolidation of Hongqiao Drug Pieces**
- **Achieved the plan through a key account strategy focused on profitability and an improved sales mix**

Crude drug platform Operating profit



China business: Revision to Full-Year Forecast

- **Sales forecast revised downward, while the operating profit forecast was revised upward through business operations focused on profitability**
- **Steadily advancing preparations for the full-scale rollout of “Personalized Medicine” from the next fiscal year onward**



External Environment

- Lower Selling Prices Due to Declining Crude Drug Prices
- Lower Sales Volume Due to a Decline in Patient Visits

Countermeasures

Improvement in Cost of Sales Ratio

Review of Key Account Strategy and Sales Mix

Reduction in SG&A Expenses

Thorough Cost Management

Sales Forecast Revised Downward, While Operating Profit Is Maintained

Company-wide and Company-specific ROIC: Financial Targets

TSUMURA

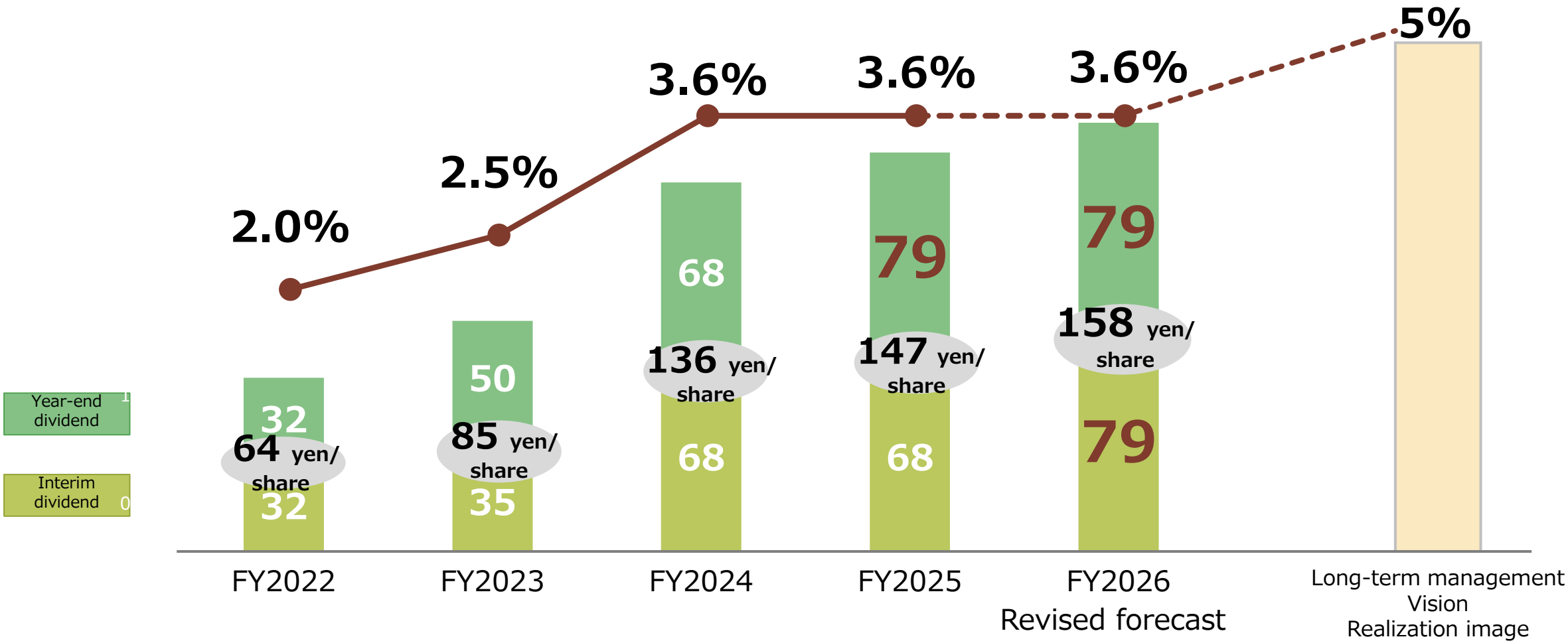
Formulated the Healthcare Company Plan Following the Consolidation of Yomeishu Seizo

ROIC Calculation Unit		Business Positioning and Strategic Direction	FY2026 revised plan	FY2027 Second medium-term management plan	FY2031 Target level
Entire company consolidated (entire group)		-	**6.2%***	↗	**High-8% to around 9%**
Prescription pharmaceuticals Company		**Stable Growth and Profit Expansion**	**7.1%***	→	**High-7% to around 8%**
Healthcare Company			**4.3%**	↗	**TBD**
	OTC Drugs, etc. ・OTC Kampo medicines ・Bath Herbs ・Yomeishu,etc.	**Strategic Development**	**13.2%**	↗	**TBD**
	Yakushoku Dogen/*Yojo* products ・Ginellia, Yojun Soup, Throat Candy, etc. ・Yomeishu Seizo (Kokenseisai, Herbal Porridge, etc.)	**Upfront Investment and Strategic Development**	For the time being, focus on sales growth No ROIC Targets Planned		
China Business Company	For the Prescription Pharmaceuticals Company ・Sales of Crude Drugs and Crude Drug Pieces	・Aligned with the Prescription Pharmaceuticals Company	No ROIC Targets		
	Crude Drug Platform External Sales Business	**Crude Drug and Decoction Piece Business: Key Growth Driver** **Health Products Business: Strategic Development**	**3.2%*** (Reference) Excluding amortization of goodwill **4.0%**	↗	**Around 10%**

*Unchanged from the Forecast Announced on Aug. 6, 2026

Shareholder returns

- **Pursue an Optimal Dividend Based on an Optimal Capital Structure While Ensuring Financial Soundness**
- **Based on the Shareholder Return Policy Focused on Maintaining and Improving DOE, the Annual Dividend Forecast Remains Unchanged from the Initial Plan at ¥158 per Share (DOE: 3.6%)**



Corporate Communications Department

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Notes regarding this material

- The information provided in this material includes so-called "forward-looking statements." Whether these forward-looking statements can be realized is affected by various risks and uncertainties. Therefore, please be aware that actual results may differ significantly from these forward-looking statements.
- If regulations related to healthcare administration, such as medical insurance systems and drug prices, are changed by the Japanese government and other foreign governments, or if interest rates or exchange rates fluctuate, our business results and financial condition may be affected.
- If any of our currently marketed major products are discontinued or their sales significantly decline due to product defects, unforeseen side effects, or other causes, our business results and financial condition would be materially affected.
- This document includes information about pharmaceuticals (including items under development), but it is not intended as advertising or medical advice.
- The materials and information provided in this document may be changed, added to, or deleted without notice.

Appendix

Domestic business: Three Important Domains

Information provision activities centered on the three important domains, which are social issues

D Drug-fostering program formulations　G "Growing" formulations

Geriatric health

Symptoms associated with frailty

- G Ninjin'yoeito
- G Kamikihito
- G Hochuekkito
- D Goshajinkigan

+associated formulations

Psychiatric and neurological disorders

- D Yokukansan

+ associated formulations

Peripheral symptoms in patients with cardiovascular diseases

- G Goreisan

+associated formulations

Digestive system diseases

- D Daikenchuto
- D Rikkunshito

+ associated formulations

Cancer (supportive care)

Mitigation of side effects, etc.

- D Rikkunshito
- D Hangeshashinto
- D Goshajinkigan
- G Kamikihito
- G Hochuekkito

+ associated formulations

Women's health

Diseases specific to women

- G Kamishoyosan
- G Kamikihito

+ associated formulations

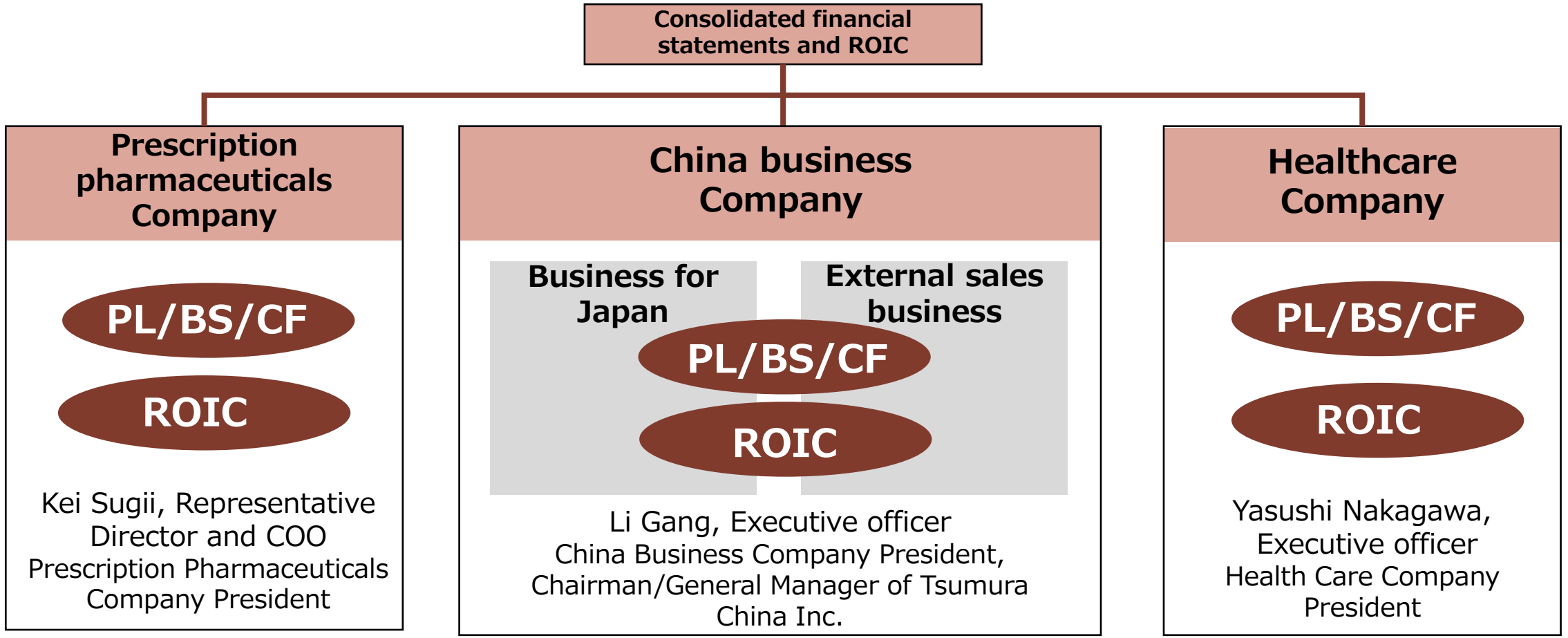
Other diseases and symptoms

- D Daikenchuto
- G Goreisan

+ associated formulations

Introduction of the company system

- Faster Decision-making through Delegation of Authority
- Clear Accountability through Independent Profit Management (ROIC)
- Accelerated Development of Management Talent
- Early Realization of a Multi-Pillar Earnings Structure



ROIC Calculation Formula

$$\text{ROIC} = \frac{\text{NOPAT}}{\text{Invested Capital (Working Capital + Business Fixed Assets)}}$$

[Assumptions]

- ROIC for each company is calculated on a consolidated basis for its constituent companies
- NOPAT: Profit for the latest 12 months
- Capital: Average of beginning and ending balances over the latest 12 months

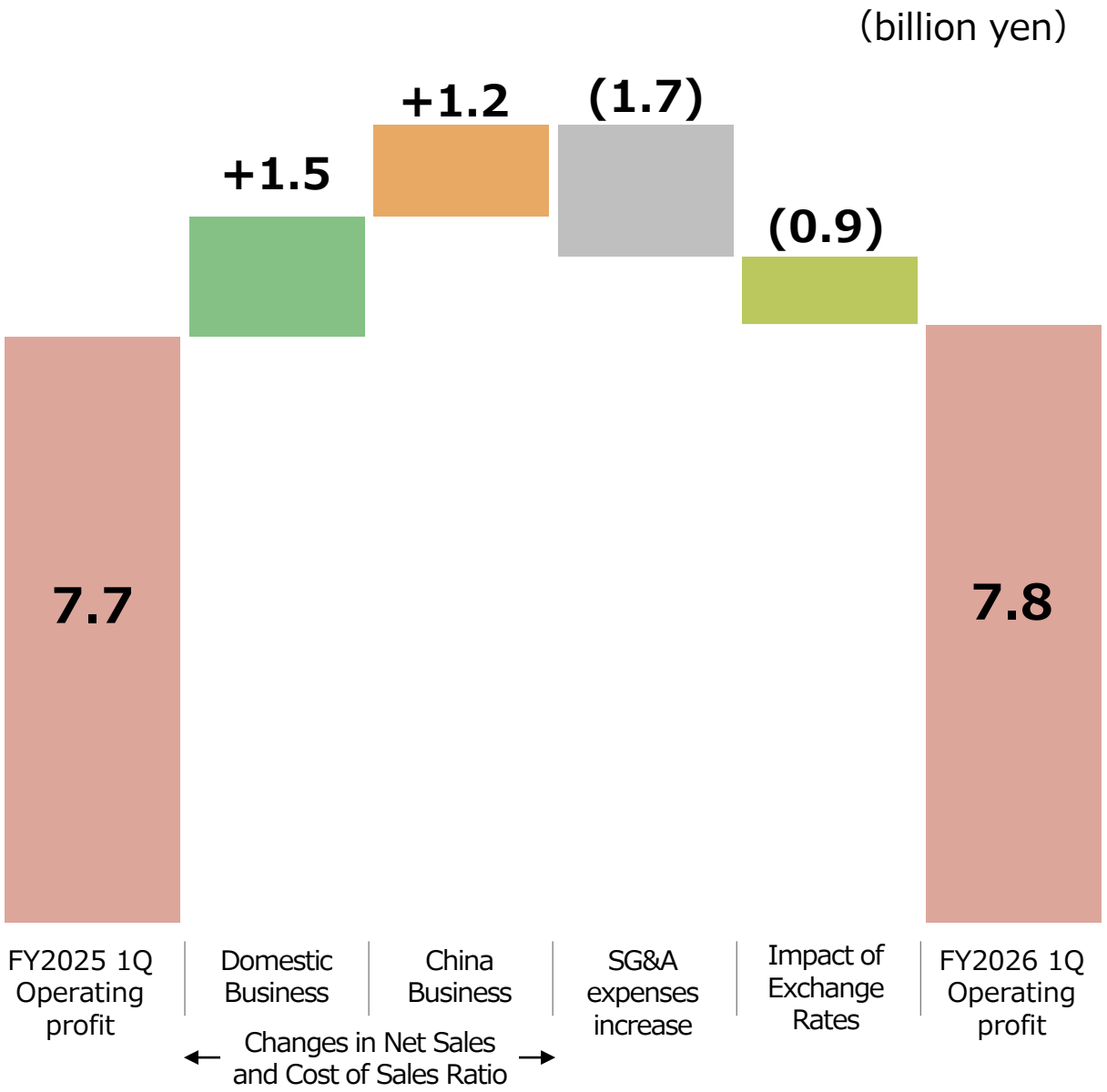
Full-year plan for fiscal 2026 by company（10/28 Revised Plan）

[billion yen]	Prescription pharmaceuticals Company	Healthcare Company	China business Company	(Reference) Figures announced on 10/28	
				Domestic business	China business
Net sales	**162.3**	**12.3**	**112.4**	**174.4**	**44.1**
Operating income	**29.1**	**0.6**	**11.6**	**35.6**	**2.8**
Operating margin	17.9%	4.9%	10.3%	20.4%	6.3%

* Company-level plans include intercompany transactions

Q1 Factors for Changes in Operating Profit (YoY)

TSUMURA



*1 Q1 results have been reclassified to conform to the Q2 presentation format

Domestic Business +1.5 billion yen	
Increase in Sales (Sales Volume, Sales Mix)	+1.3
Decrease in Cost of Sales Ratio	+0.2
Crude Drug Costs	+0.2
Raw Material and Packaging Costs	(0.1)
Processing Costs	+0.1

China Business +1.2 billion yen	
Increase in Sales	+0.4
Decrease in Cost of Sales Ratio	+0.7

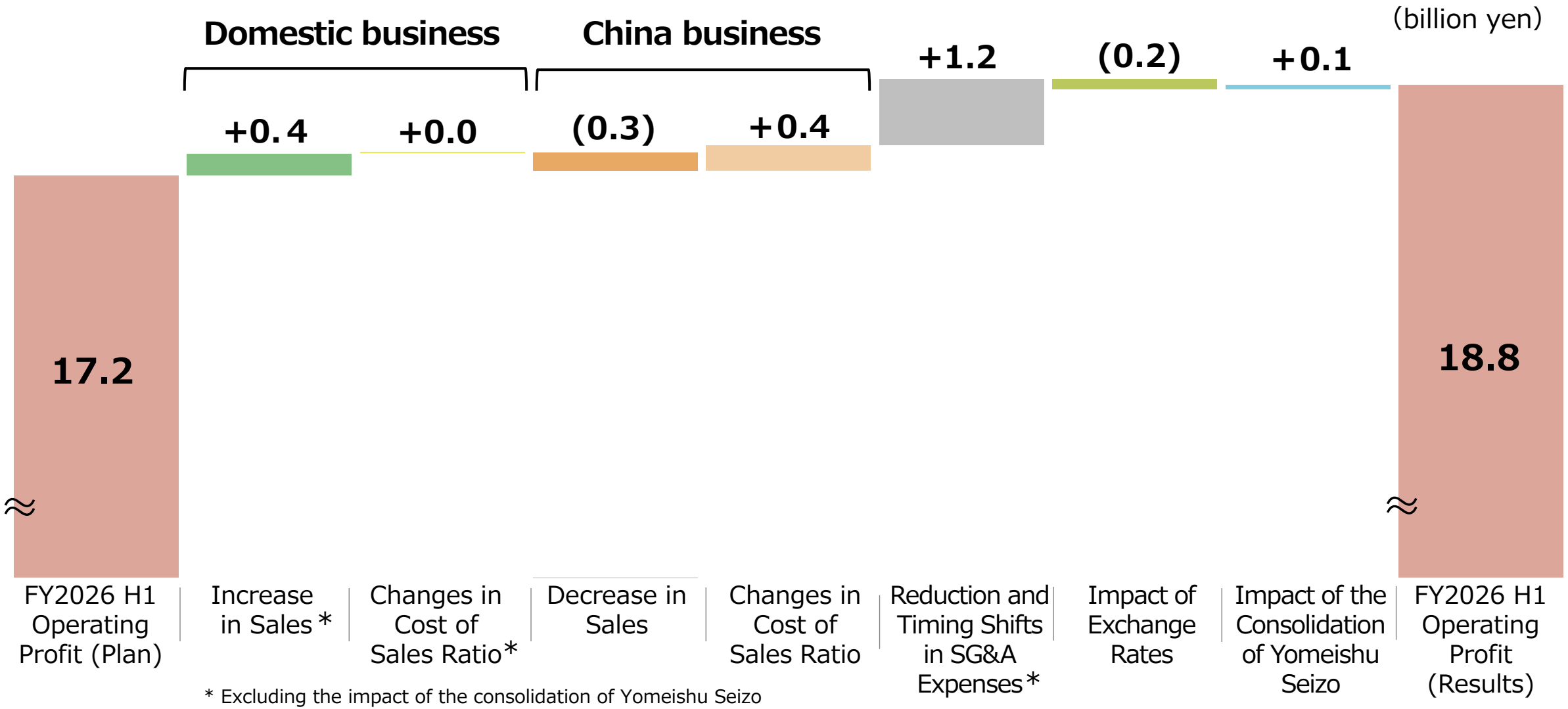
Increase in SG&A expenses (1.7) billion yen	
Consolidation of Hongqiao drug pieces (including amortization of intangible assets and goodwill: (0.3))	(0.7)
Salary and allowances*2	(0.3)
Research and Development Expenses*2	(0.1)
Others*2	(0.4)

Impact of exchange rates (0.9) billion yen

*2 Excluding the impact of the consolidation of Hongqiao drug pieces

H1 Factors for Changes in Operating Profit (vs. H1 Plan)

TSUMURA



* Excluding the impact of the consolidation of Yomeishu Seizo

Domestic business: Intercompany Transactions

(billion yen)

	FY2025 Results			FY2026 Results			Impact on Operating Profit
	Intercompany* Transactions	Unrealized Profit	In-house Gross Profit	Intercompany* Transactions	Unrealized Profit	In-house Gross Profit	
1Q	2.5	(0.7)	3.2	2.4	(1.6)	4.1	(0.0)
2Q	6.1	(1.3)	7.4	7.8	(2.0)	9.8	1.7
3Q	9.4	(2.4)	11.9	—	—	—	—
4Q	14.6	(2.7)	17.4	—	—	—	—

＊Unrealized Profit＋In-house Gross Profit

Exchange Rate Trends

Exchange rate (Yen/Yuan) Period average rate: Consolidation of Profit and Loss Statement

	1Q	2Q	3Q	4Q	Initial Plan	Revised Plan
FY 2024	20.63	21.07	20.99	21.04	-	
FY 2025	20.94	20.44	20.50	20.81	-	
FY 2026	22.67	23.07	-	-	22.60	23.50

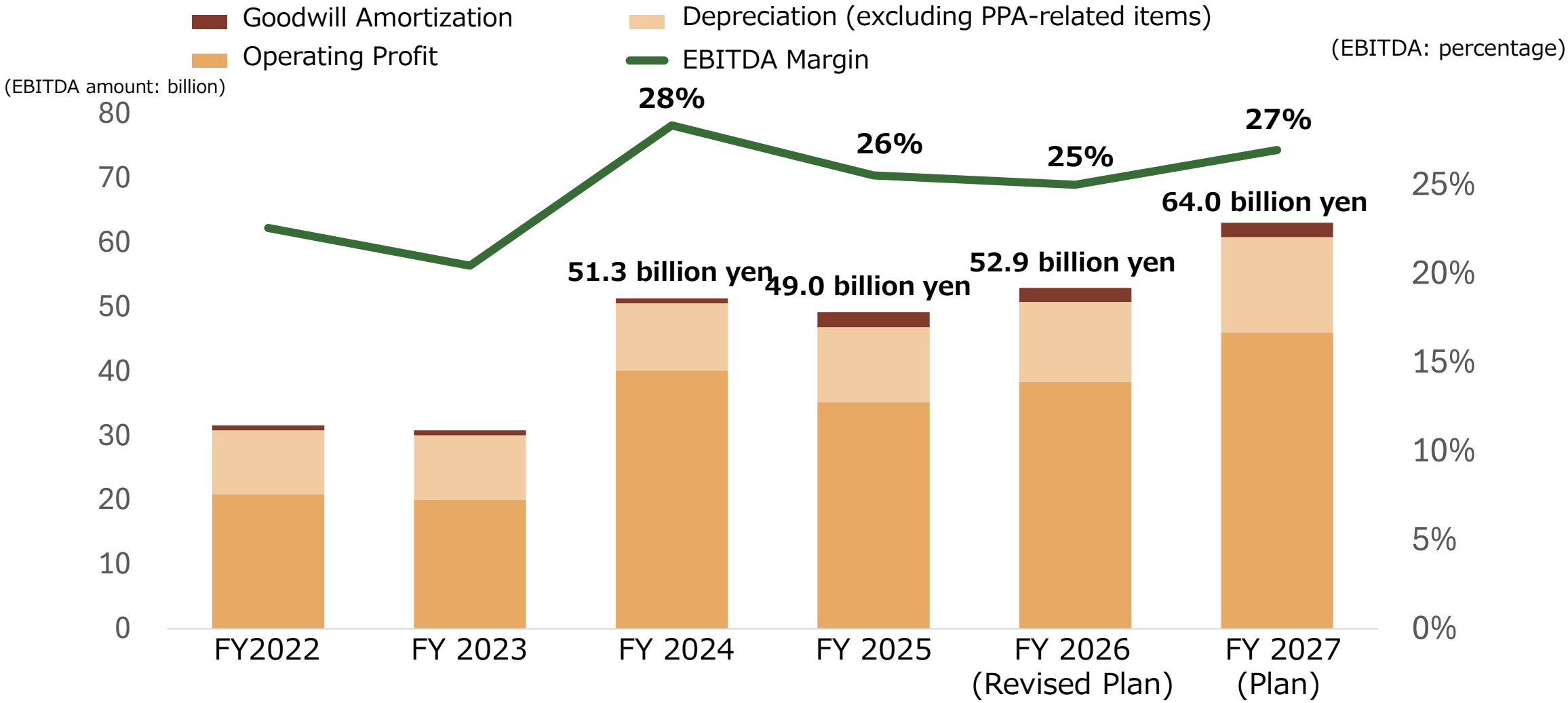
Exchange Rate (Yen/Yuan) at Fiscal Year-End: Consolidation of Balance Sheet,
Foreign Exchange Gain (Non-Operating Income and Expenses)

	End of March	End of June	End of Sep.	End of Dec.
Year 2024	20.83	22.04	20.46	21.67
Year 2025	20.59	20.19	20.88	22.36
Year 2026	23.11	23.87	23.45	-

・For imports of raw medicinal crude drug and Kampo extract powders (intermediate products), exchange contracts have already been made, so the applicable rate differs from the above.

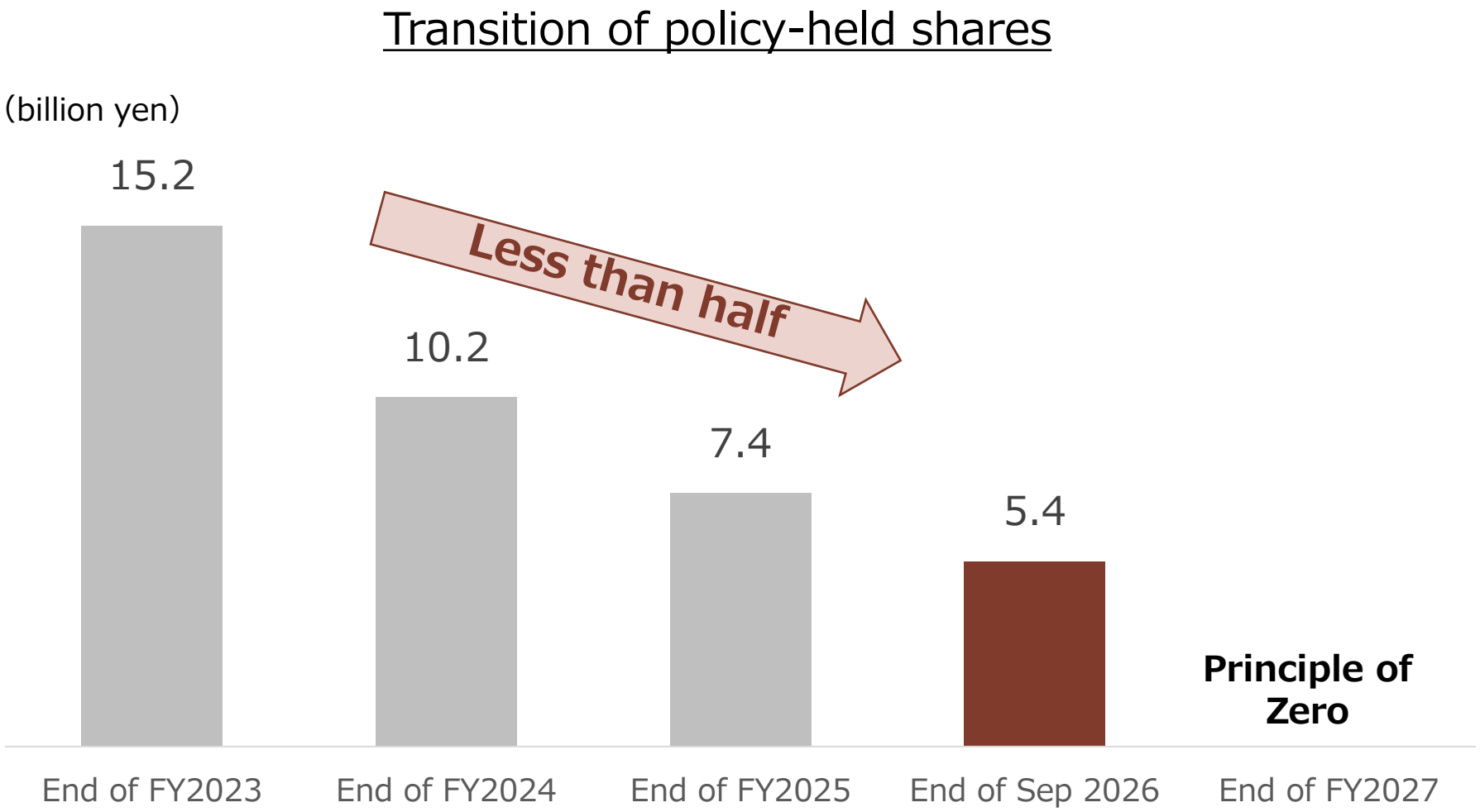
EBITDA trend

【Calculation conditions for amortization of goodwill and PPA】
CHINA MEDICO CORPORATION: customer- and technology-related assets from goodwill and PPA
Hongqiao drug pieces: goodwill + PPA for customer- and technology-related assets + inventory and other assets
【Depreciation (excluding PPA-related) calculation conditions】
Depreciation expense minus amortization of customer- and technology-related assets from PPA



Reduction of Policy Shareholdings

We aim to reduce policy shareholdings to zero in principle by the end of FY2027 and will continue to steadily reduce them



Launch of the “TSUMURA PRIDE～Quality Is Our Promise～” video series

- Produced a video series showcasing Tsumura’s quality initiatives that support value creation
- Introduced Tsumura’s integrated efforts to ensure quality, from crude drug cultivation and procurement through manufacturing and information provision





＊Currently available only in Japanese