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Consolidated Financial Results for the Six Months Ended September 30, 2025 [Japanese GAAP]



November 4, 2025

Company name: KISSEI PHARMACEUTICAL CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 4547
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 Scheduled date of filing semi-annual securities report: November 13, 2025
 Scheduled date of commencing dividend payments: December 3, 2025
 Availability of supplementary explanatory materials on financial results: Available
 Schedule of financial results briefing session: Scheduled (for securities analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (April 1, 2025 – September 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2025	45,831	7.9	(6,837)	—	(5,622)	—	7,784	48.3
September 30, 2024	42,466	14.8	1,781	(11.6)	2,237	(35.4)	5,249	(7.6)

(Note) Comprehensive income: Six months ended September 30, 2025: ¥10,001 million [590.9%]

Six months ended September 30, 2024: ¥1,447 million [(84.9)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	186.81	—
September 30, 2024	118.75	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2025	261,125	212,625	80.9	5,099.32
March 31, 2025	244,059	210,126	85.6	4,882.71

(Reference) Equity: As of September 30, 2025: ¥211,379 million

As of March 31, 2025: ¥209,004 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	45.00	—	55.00	100.00
Fiscal year ending March 31, 2026	—	60.00			
Fiscal year ending March 31, 2026 (Forecast)			—	60.00	120.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	95,500	8.1	(2,600)	—	(1,100)	—	12,700	6.2	305.56

(Note) Revision to the financial results forecast announced most recently: Yes

*** Notes:**

- (1) Significant changes in scope of consolidation during the period under review: None
- (2) Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2025:	46,541,985 shares
March 31, 2025:	47,911,185 shares
 - 2) Total number of treasury shares at the end of the period:

September 30, 2025:	5,089,392 shares
March 31, 2025:	5,106,116 shares
 - 3) Average number of shares during the period:

Six months ended September 30, 2025:	41,672,420 shares
Six months ended September 30, 2024:	44,205,278 shares

* Financial results reports for the six months under review (semi-annual) are outside the scope of review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

(Cautionary note on forward-looking statements)

The financial forecasts and other forward-looking statements herein are based on information available to the Company as of the date of publication of this document and certain assumptions as of the date of publication of this document on uncertainties that may have an impact on future financial results and the Company does not in any way guarantee their achievement. Actual results may differ greatly from these forecasts due to a variety of factors.

Please refer to “1. Overview of Operating Results, etc. (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 4 of the Attachments for preconditions underlying the financial forecasts and other matters.

(How to obtain supplementary explanatory materials on financial results and materials for financial results briefing session)

The supplementary explanatory materials on financial results are posted on TDnet and the Company’s website together with the consolidated financial results. The Company also plans to hold a financial results briefing session for securities analysts and institutional investors on Thursday, November 6, 2025. Materials to be used on the day will be posted on TDnet and the Company’s website.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period under Review

In the six months ended September 30, 2025, the pharmaceutical industry continued to experience harsh business conditions. Following the drug price revision implemented in April 2024, the off-year drug price revision was conducted in April 2025, to evaluate pharmaceutical products by category, including items subject to the premium for new drug development, new drugs other than those subject to the premium, and long-listed products. Due to these measures, the overall drug price remains subject to cost-containment trends.

Although there were continuous signs of steady growth in IT demand and willingness for capital investment in the information services, construction and facility maintenance, and merchandising industries, the current business climate, particularly personal consumption, is weak due to the weak yen, price hike, and U.S. tariff policies, and the competitive environment remained fierce.

In these circumstances, the Company's financial results for the six months ended September 30, 2025 were as stated below.

	Six months ended September 30, 2024	Six months ended September 30, 2025	Change (%)
Net sales	42,466	45,831	7.9
Operating profit (loss)	1,781	(6,837)	—
Ordinary profit (loss)	2,237	(5,622)	—
Profit attributable to owners of parent	5,249	7,784	48.3

(Million yen)

• Net sales

Net sales of the Pharmaceutical Business were ¥38,347 million, an increase of 4.7% year on year. The sales increase of Beova, an overactive bladder treatment, TAVNEOS for the treatment of microscopic polyangiitis and granulomatosis with polyangiitis, KORSUVA, a treatment for pruritus in dialysis patients, and TAVALISSE, a treatment for chronic idiopathic thrombocytopenic purpura, etc., contributed to the year-on-year increase in net sales.

In addition, Theramex (U.K.), the licensee of Linzagolix (generic name) discovered by the Company, launched the product in Germany in September 2024 under the product name Yselty for the indication of uterine fibroids, and has since expanded sales to additional countries. In November 2024, an additional indication of endometriosis for this drug was approved. The launch and its preparations in other countries continued during the period under review, with export sales increasing steadily.

Fostamatinib (generic name, domestic brand name: TAVALISSE), which the Company in-licensed from Rigel Pharmaceuticals, Inc. (U.S.), was newly launched in July 2025 by JW Pharmaceutical Corporation (South Korea), the sublicensee of the drug in South Korea.

Net sales of the Information Services Business were ¥5,102 million, an increase of 26.6% year on year, net sales of the Construction and Facility Maintenance Business were ¥1,868 million, an increase of 42.9% year on year, and net sales of the Merchandising Business were ¥512 million, an increase of 4.0% year on year.

• Profit

Although the Company secured higher net sales, regarding profit, operating loss and ordinary loss were recorded due to an increase in the cost of sales ratio and an increase in selling, general and administrative expenses centering on R&D expenses. On the other hand, profit attributable to owners of parent increased. The Company also recorded gain on sale of investment securities as extraordinary income.

• R&D

In July 2025, the Company entered into an agreement with Viridian Therapeutics, Inc. (U.S.), regarding acquiring exclusive development and sales rights for Veligrotug (generic name) and VRDN-003 (development code), which are potential treatments for patients with thyroid eye disease (TED) in Japan. Furthermore, following the

initiation of a domestic Phase I clinical trial for Olutasidenib (generic name), a treatment for acute myeloid leukemia, in July 2025, the Company initiated a domestic Phase I clinical trial for KSP-0914 (development code), a treatment for Graves' disease discovered by the Company, in August 2025, continuing to advance the stage-up of our research and development themes.

Regarding the overseas expansion of Linzagolix, in October 2025, the Company licensed exclusive development and commercialization rights in Canada to Searchlight Pharma (Canada). In addition, Synmosa Biopharma Corporation (Taiwan), the licensee in Taiwan, received marketing approval for the indication of uterine fibroids in October 2025.

(2) Overview of Financial Position for the Period under Review

i. Assets, liabilities and net assets

(Assets)

Total assets amounted to ¥261,125 million as of September 30, 2025, up ¥17,065 million from the previous fiscal year-end. Current assets were up ¥12,896 million, to ¥119,876 million, mainly due to an increase in cash and deposits, securities and inventories despite a decrease in notes and accounts receivable - trade, and contract assets. Non-current assets were up ¥4,169 million, to ¥141,249 million, mainly due to an increase in property, plant and equipment and investment securities despite a decrease in long-term prepaid expenses included in "Other" under investments and other assets.

(Liabilities)

Total liabilities amounted to ¥48,500 million as of September 30, 2025, up ¥14,567 million from the previous fiscal year-end. Current liabilities were up ¥16,997 million, to ¥33,575 million, mainly due to an increase in notes and accounts payable – trade, income taxes payable, and accounts payable included in "Other." Non-current liabilities were down ¥2,429 million, to ¥14,924 million, mainly due to a decrease in deferred tax liabilities.

(Net assets)

Total net assets amounted to ¥212,625 million as of September 30, 2025, up ¥2,498 million from the previous fiscal year-end. Retained earnings and valuation difference on available-for-sale securities increased, and the Company purchased and retired treasury shares.

As a result, the shareholders' equity ratio was 80.9%, down from 85.6% at the previous fiscal year-end.

ii. Cash flows

Cash and cash equivalents ("cash") amounted to ¥61,273 million for the six months ended September 30, 2025, up ¥13,114 million from the previous fiscal year-end, a 27.2% increase from the previous fiscal year-end.

The cash flows for the six months ended September 30, 2025 were as stated below.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to ¥7,987 million for the six months ended September 30, 2025, up ¥5,212 million from the previous corresponding period, mainly due to cash inflow factors such as increases in other current liabilities and trade payables, despite cash outflow factors such as an increase in inventories.

(Cash Flows from Investing Activities)

Net cash provided by investing activities amounted to ¥12,782 million for the six months ended September 30, 2025, up ¥10,003 million from the previous corresponding period, mainly due to proceeds from sale of investment securities.

(Cash Flows from Financing Activities)

Net cash used in financing activities was ¥7,663 million for the six months ended September 30, 2025, up ¥5,702 million from the previous corresponding period, mainly due to the purchase of treasury shares and dividends paid.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The pharmaceutical industry continues to experience harsh business conditions due to measures to curb medical costs, including the reform of the National Health Insurance (NHI) drug pricing system. In addition, uncertain

business conditions are expected to continue in the future for Group companies, including the Company, due to U.S. tariff policy, in addition to the weak yen and price hike.

The current consolidated financial results forecast for the fiscal year ending March 31, 2026 is as stated below.

(Million yen)

	Results for the fiscal year ended March 31, 2025	Initial forecast for the fiscal year ending March 31, 2026 (July 2025)	Revised forecast for the fiscal year ending March 31, 2026 [change from the initial forecast]	Change from the previous fiscal year	
				Change amount	Change (%)
Net sales	88,330	91,500	95,500 [4,000]	7,170	8.1
Operating profit (loss)	5,773	(4,000)	(2,600) [1,400]	(8,373)	—
Ordinary profit (loss)	6,974	(2,600)	(1,100) [1,500]	(8,074)	—
Profit attributable to owners of parent	11,961	12,300	12,700 [400]	739	6.2

- Net sales

The forecast for net sales has been revised to ¥95,500 million, an increase of ¥4,000 million from the initial forecast (an increase of 8.1% year on year).

As a result of a review taking the financial results for the six months ended September 30, 2025 and the current business environment into consideration, the Company has revised the net sales forecast upward by ¥2,500 million for the Pharmaceutical Business and ¥1,500 million for other businesses.

- Profit

For the six months ended September 30, 2025, operating profit, ordinary profit, and profit attributable to owners of parent were higher than the initial forecast mainly due to an increase in net sales despite selling, general and administrative expenses being largely in line with the initial forecast. For the second half of the fiscal year ending March 31, 2026, the Company expects a slight increase in selling, general and administrative expenses in addition to an increase in cost of sales ratio compared with the initial forecast.

With respect to full-year profit forecasts for the fiscal year ending March 31, 2026, the Company projects operating loss of ¥2,600 million, an improvement of ¥1,400 million compared with the initial forecast (- % year on year), and ordinary loss of ¥1,100 million, an improvement of ¥1,500 million compared with the initial forecast (-% year on year), while profit attributable to owners of parent is revised to ¥12,700 million, ¥400 million higher than the initial forecast (an increase of 6.2% year on year). Regarding extraordinary income for the second half of the fiscal year ending March 31, 2026, gain on sale of investment securities of ¥2,600 million and gain on sale of non-current assets of ¥800 million are expected to be recorded.

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	25,169	36,324
Notes and accounts receivable - trade, and contract assets	29,654	28,344
Securities	23,485	25,374
Merchandise and finished goods	13,706	13,178
Work in process	199	1,661
Raw materials and supplies	11,074	11,402
Other	3,689	3,590
Total current assets	106,980	119,876
Non-current assets		
Property, plant and equipment		
Buildings and structures	39,422	42,209
Accumulated depreciation	(30,845)	(31,069)
Buildings and structures, net	8,577	11,140
Land	13,067	13,067
Construction in progress	2,015	45
Other	17,342	19,861
Accumulated depreciation	(13,932)	(14,352)
Other, net	3,410	5,509
Total property, plant and equipment	27,069	29,762
Intangible assets	1,894	2,005
Investments and other assets		
Investment securities	84,869	86,945
Retirement benefit asset	8,804	9,245
Deferred tax assets	566	496
Other	13,893	12,813
Allowance for doubtful accounts	(18)	(18)
Total investments and other assets	108,115	109,481
Total non-current assets	137,079	141,249
Total assets	244,059	261,125

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,602	7,756
Short-term borrowings	1,280	1,270
Income taxes payable	1,474	5,095
Provision for bonuses	2,183	1,873
Other provisions	139	117
Contract liabilities	1,033	805
Other	5,866	16,657
Total current liabilities	16,578	33,575
Non-current liabilities		
Deferred tax liabilities	16,481	14,082
Provision for retirement benefits for directors (and other officers)	202	211
Asset retirement obligations	149	129
Other	520	500
Total non-current liabilities	17,354	14,924
Total liabilities	33,933	48,500
Net assets		
Shareholders' equity		
Share capital	24,356	24,356
Capital surplus	24,226	24,243
Retained earnings	131,488	132,746
Treasury shares	(14,520)	(15,513)
Total shareholders' equity	165,550	165,833
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	38,752	41,066
Remeasurements of defined benefit plans	4,701	4,480
Total accumulated other comprehensive income	43,453	45,546
Non-controlling interests	1,122	1,245
Total net assets	210,126	212,625
Total liabilities and net assets	244,059	261,125

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statements of Income

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	42,466	45,831
Cost of sales	21,068	23,143
Gross profit	21,397	22,688
Selling, general and administrative expenses	19,616	29,525
Operating profit (loss)	1,781	(6,837)
Non-operating income		
Interest income	20	62
Dividend income	715	842
Gain on valuation of securities	—	399
Other	51	96
Total non-operating income	786	1,400
Non-operating expenses		
Interest expenses	9	13
Loss on valuation of securities	117	—
Foreign exchange losses	159	94
Commission expenses	37	72
Other	5	4
Total non-operating expenses	330	184
Ordinary profit (loss)	2,237	(5,622)
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	5,190	14,828
Compensation for forced relocation	—	371
Total extraordinary income	5,190	15,199
Extraordinary losses		
Loss on sale of non-current assets	0	—
Loss on disposal of non-current assets	140	109
Impairment losses	128	—
Loss on sale of investment securities	—	56
Total extraordinary losses	269	166
Profit before income taxes	7,159	9,410
Income taxes - current	1,954	4,804
Income taxes - deferred	(47)	(3,271)
Total income taxes	1,906	1,532
Profit	5,252	7,878
Profit attributable to non-controlling interests	2	93
Profit attributable to owners of parent	5,249	7,784

Semi-annual Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	5,252	7,878
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,623)	2,348
Remeasurements of defined benefit plans, net of tax	(180)	(225)
Total other comprehensive income	(3,804)	2,123
Comprehensive income	1,447	10,001
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,442	9,877
Comprehensive income attributable to non-controlling interests	5	123

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	7,159	9,410
Depreciation	2,282	2,254
Impairment losses	128	—
Compensation for forced relocation	—	(371)
Increase (decrease) in provisions	(101)	(321)
Decrease (increase) in retirement benefit asset	(578)	(679)
Interest and dividend income	(735)	(904)
Interest expenses	9	13
Loss (gain) on valuation of securities	117	(399)
Loss (gain) on sale of non-current assets	(0)	(0)
Loss on disposal of non-current assets	140	109
Loss (gain) on sale of investment securities	(5,190)	(14,771)
Increase / decrease in trade receivables and contract assets	1,246	1,310
Decrease (increase) in inventories	(15)	(1,261)
Decrease (increase) in other current assets	162	542
Increase (decrease) in trade payables	349	3,154
Increase / decrease in contract liabilities	(475)	(227)
Increase (decrease) in other current liabilities	60	10,562
Increase (decrease) in other non-current liabilities	(115)	(58)
Other, net	115	(6)
Subtotal	4,558	8,357
Interest and dividends received	699	874
Interest paid	(10)	(13)
Proceeds from compensation for forced relocation	—	371
Income taxes paid	(2,472)	(1,601)
Net cash provided by (used in) operating activities	2,775	7,987
Cash flows from investing activities		
Payments into time deposits	(33)	(65)
Proceeds from withdrawal of time deposits	39	29
Reduction of investments in specified trusts	91	58
Purchase of property, plant and equipment	(1,993)	(2,897)
Proceeds from sale of property, plant and equipment	13	—
Purchase of intangible assets	(171)	(438)
Purchase of investment securities	(508)	(982)
Proceeds from sale and redemption of investment securities	5,561	17,254
Loan advances	—	(1)
Proceeds from collection of loans receivable	1	1
Purchase of long-term prepaid expenses	(36)	(3)
Other, net	(184)	(172)
Net cash provided by (used in) investing activities	2,779	12,782

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from financing activities		
Proceeds from short-term borrowings	150	170
Repayments of short-term borrowings	(230)	(180)
Repayments of lease liabilities	(67)	(82)
Dividends paid	(1,812)	(2,354)
Purchase of treasury shares	(0)	(5,216)
Net cash provided by (used in) financing activities	(1,960)	(7,663)
Effect of exchange rate change on cash and cash equivalents	(40)	7
Net increase (decrease) in cash and cash equivalents	3,553	13,114
Cash and cash equivalents at beginning of period	45,887	48,158
Cash and cash equivalents at end of period	49,440	61,273

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

In accordance with a resolution at the Board of Directors' meeting held on May 7, 2025, the Company repurchased 1,369,200 shares of treasury shares for ¥5,216 million. In addition, the Company retired 1,369,200 shares of treasury shares for ¥4,173 million on June 27, 2025. Consequently, for the six months ended September 30, 2025, retained earnings decreased by ¥4,173 million and treasury shares increased by ¥992 million, resulting in ¥132,746 million in retained earnings and ¥15,513 million in treasury shares as of September 30, 2025.

(Segment information, etc.)

I. For the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Information on net sales and profit (loss), and information on the disaggregation of revenue by reportable segment

(Million yen)

	Reportable segment				Total
	Pharmaceutical	Information Services	Construction and Facility Maintenance	Merchandising	
Net sales					
Pharmaceutical Business					
Domestic Pharmaceuticals	31,258	—	—	—	31,258
Export and Overseas Licensing	3,574	—	—	—	3,574
Therapeutic and care foods	1,800	—	—	—	1,800
Information Services Business	—	5,307	—	—	5,307
Construction and Facility Maintenance Business	—	—	2,638	—	2,638
Merchandising Business	—	—	—	588	588
Revenue arising from contracts with customers	36,633	5,307	2,638	588	45,167
Sales to third parties	36,633	4,032	1,307	492	42,466
Inter-segment sales or transfers	—	1,274	1,330	95	2,701
Total	36,633	5,307	2,638	588	45,167
Segment profit	1,375	193	162	59	1,791

In conjunction with the launch of Linzagolix in Europe, the importance of overseas net sales, including exports of pharmaceutical ingredients, etc., has increased. As a result, from the fiscal year ended March 31, 2025, we have revised the breakdown of revenue categories. Domestic pharmaceutical sales, which had previously been included under “Pharmaceutical sales,” income from domestic licensees previously included under “Technical fees,” and “Other” have been reclassified as “Domestic Pharmaceuticals.” Meanwhile, export sales of pharmaceutical ingredients, etc. to overseas licensees, previously included under “Pharmaceutical sales,” and income from overseas licensees, previously included under “Technical fees,” have been reclassified as “Export and Overseas Licensing.” To reflect this change, we have restated the revenue breakdown for the six months ended September 30, 2024. As a result, domestic pharmaceutical sales of ¥29,017 million and ¥2,241 million previously included under “Other” have been reclassified under “Domestic Pharmaceuticals” of ¥31,258 million. Additionally, export sales of ¥2,143 million previously included under “Pharmaceutical sales” and income of ¥1,430 million from overseas licensees previously included under “Technical fees” have been reclassified under “Export and Overseas Licensing” of ¥3,574 million.

2. Total amount of profit (loss) of reportable segments, difference from the amount stated in the semi-annual consolidated statements of income, and main components of such difference

(Million yen)

Profit	Amount
Total for reportable segments	1,791
Elimination of inter-segment transactions	46
Adjustment of non-current assets	(46)
Other adjustments	(9)
Operating profit in the semi-annual consolidated statements of income	1,781

II. For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Information on net sales and profit (loss), and information on the disaggregation of revenue by reportable segment

(Million yen)

	Reportable segment				Total
	Pharmaceutical	Information Services	Construction and Facility Maintenance	Merchandising	
Net sales					
Pharmaceutical Business					
Domestic Pharmaceuticals	32,766	—	—	—	32,766
Export and Overseas Licensing	3,775	—	—	—	3,775
Therapeutic and care foods	1,806	—	—	—	1,806
Information Services Business	—	6,491	—	—	6,491
Construction and Facility Maintenance Business	—	—	3,510	—	3,510
Merchandising Business	—	—	—	668	668
Revenue arising from contracts with customers	38,347	6,491	3,510	668	49,019
Sales to third parties	38,347	5,102	1,868	512	45,831
Inter-segment sales or transfers	—	1,389	1,641	156	3,187
Total	38,347	6,491	3,510	668	49,019
Segment profit (loss)	(7,501)	407	277	106	(6,710)

2. Total amount of profit (loss) of reportable segments, difference from the amount stated in the semi-annual consolidated statements of income, and main components of such difference

(Million yen)

Profit	Amount
Total for reportable segments	(6,710)
Elimination of inter-segment transactions	44
Adjustment of non-current assets	(195)
Other adjustments	24
Operating loss in the semi-annual consolidated statements of income	(6,837)

(Significant subsequent events)

(Execution of Significant Contract)

KISSEI PHARMACEUTICAL CO., LTD. (the “Company”) entered into a contract with Searchlight Pharma (Canada) to license the development and commercialization rights in Canada for Linzagolix discovered by the Company. The outline is as follows.

(1) Name of the counterparty of the contract

Searchlight Pharma (Canada)

(2) Date of the contract

October 7, 2025

(3) Details of the contract

To license development and commercialization rights for Linzagolix in Canada

(4) Significant effect of the execution of the contract on the Company’s operations

By executing this contract, the Company will receive an upfront payment, milestone payments based on the progress of the development conducted and royalty payments according to the sales of product from Searchlight Pharma, and will supply the subject product to Searchlight Pharma.

3. Other

(1) Sales Results

Sales results by segment for the six months ended September 30, 2025 are as follows.

Segment classification	Six months ended September 30, 2024		Six months ended September 30, 2025		Change	
	Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)	Amount (Million yen)	Change (%)
Pharmaceutical Business	36,633	86.3	38,347	83.7	1,714	4.7
Urology	11,357	26.7	10,614	23.2	(742)	(6.5)
Renal diseases and dialysis	7,693	18.1	8,570	18.7	877	11.4
Orphan drugs	5,256	12.4	7,312	16.0	2,056	39.1
Metabolism and endocrinology	2,476	5.8	1,927	4.2	(549)	(22.2)
Obstetrics and gynecology	326	0.8	268	0.6	(57)	(17.6)
Ophthalmology	145	0.3	89	0.2	(55)	(38.3)
Other drugs	1,762	4.1	1,645	3.6	(116)	(6.6)
Other (Note) 1	2,241	5.3	2,337	5.1	96	4.3
Export and Overseas Licensing (Note) 2	3,574	8.4	3,775	8.2	200	5.6
Therapeutic and care foods	1,800	4.2	1,806	3.9	6	0.3
Information Services Business	4,032	9.5	5,102	11.1	1,070	26.6
Construction and Facility Maintenance Business	1,307	3.1	1,868	4.1	560	42.9
Merchandising Business	492	1.2	512	1.1	19	4.0
Total	42,466	100.0	45,831	100.0	3,365	7.9
[Exports]	[3,581]	[8.4]	[3,786]	[8.3]	[204]	[5.7]

(Notes) 1. Includes revenue from supply to domestic sales partners and revenue from co-promotion fees.

2. Includes revenue contracting fees related to out-licensing, milestone payments, running royalties, and pharmaceutical exports.

3. Inter-segment transactions are eliminated.