

Mochida Pharmaceutical Group
Integrated Report
2026

Motto

Farsighted, Innovative Research

Corporate Philosophy

Actively contributing to human health and well-being in the field of medicine, totally committed to the development of innovative products.

Meeting medical and healthcare needs and contributing to human health and well-being is our mission.







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More Information

Mochida Pharmaceutical Co., Ltd. Website

https://www.mochida.co.jp/



Editorial Policy; To enhance understanding of the corporate value of the Mochida Pharmaceutical Group among all stakeholders, we have compiled this integrated report, which includes non-financial information, such as our value creation story, Medium-term Management Plan, and ESG information, as well as financial information. In preparing this report, we referred to the International Integrated Reporting Framework of the IFRS Foundation and the Guidance for Collaborative Value Creation issued by the Ministry of Economy, Trade and Industry.

Organizations covered; Mochida Pharmaceutical Group (Mochida Pharmaceutical Co., Ltd. and its consolidated subsidiaries)

Period covered; Centered on activities from April 1, 2025 through March 31, 2026, but also refers to more recent news

Published; September 2026

Cautionary Note; This integrated report contains statements that constitute forward-looking statements. These statements are based on management's current assumptions and beliefs in light of the information currently available to it and involve known and unknown risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of various factors. Information about pharmaceutical products (including products currently in development) which is included in this integrated report is not intended to constitute an advertisement or medical advice. This material is an English translation of the integrated report issued on September 30, 2026 in Japanese, and the Japanese version is given priority regarding content and interpretation.

Note; This integrated report is an English translation of the Japanese original for reference purposes only. In the event of any discrepancy between the English translation and the Japanese original, the Japanese original shall prevail.

1 Value Creation Story

Corporate Development

1913～

- Started producing pharmaceuticals
- Pioneered hormonal preparations

1913 Established
1918 Renamed as Mochida Pharmaceutical Company and built pharmaceutical plant onsite

1945～

- Established a presence in the field of enzyme preparations
- Developed own sales network

1945 Mochida Pharmaceutical Co., Ltd. was established.
1957 Established a research laboratory (at Oji Plant)

1970～

- Entered the quasi-drugs business
- Entered the Medical Electronics and Equipment business

1970 Established the Paramedical Division
1972 Established the Medical Electronics and Equipment Division
Completed the Shizuoka Plant
1982 Completed the Fuji Central Research Laboratory

1990～

- Became a leading manufacturer of highly purified EPA preparation
- Split up business divisions

1991 Completed Ohtawara Plant
2003 Split up the Medical Electronics and Equipment Division
2004 Split up Healthcare Division
2005 Split up the manufacturing division

2010～

- Strengthened alliances and focused on new drugs
- Branched out into new business areas

2014 Split up the generic drugs sales division

Founded in 1913, Mochida Pharmaceutical Group has a history longer than 110 years. Throughout our long history, we have grown whilst pursuing research and development of drugs from an original perspective and creating unique products to meet medical and healthcare needs.
In the 1970s, we also rose to a new challenge, branching out into the medical devices and healthcare products businesses and, in the 2000s, we sought to strengthen and expand our businesses by spinning off divisions into new and separate companies.
In recent years, we have also leveraged our alliances with partners both in Japan and overseas to develop and sell unique new drugs. Furthermore, under our “Vision for 2031,” we aim to grow as a group through pharmaceutical research and development that incorporates new drug discovery modalities and through development of biomaterials and healthcare into business pillars.

1932 Pelanin (first estrogen preparation developed in Japan)



1951 Sprase (first hyaluronidase preparation developed in Japan)



1964 Kimotab (anti-inflammatory enzyme preparation)



1970 Uronase (fibrinolytic enzyme preparation)



1985 Miraclid (world’s first ulinastatin preparation)



1990 Epadel (world’s first high-purity EPA preparation)



1997 Atelec (calcium channel blocker)



2008 Dinagest (treatment for endometriosis)



2011 Lexapro (antidepressant)



2014 Treprost (treatment for pulmonary arterial hypertension)



2016 Lialda (treatment for ulcerative colitis)



2018 Goofice (treatment for chronic constipation)



2020 Urece (treatment for gout and hyperuricemia)



2022 Epadel EM (a self-emulsifying formulation of highly purified EPA)



2023 Omvoh (treatment for ulcerative colitis and Crohn’s disease)



2023 Cortiment (treatment for ulcerative colitis)



2025 Mochi-Gel (cartilage repair device)



Mochida Pharmaceutical Group Overview

Number of Employees

1,479

Number of Locations

Branch Offices	8
Manufacturing Sites	3
Other Operating Sites	40
Overseas Location	1
Research Laboratories	2

Net Sales

116.9 billion yen

Operating Profit

10.1 billion yen

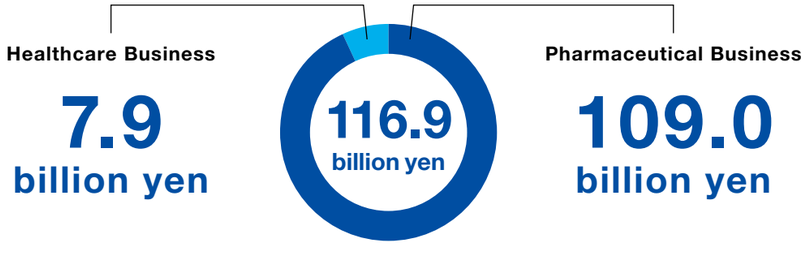
Profit attributable to owners of parent

7.9 billion yen

Research and development expenses

12.1 billion yen

Net Sales by Business Segment



*As of March 31, 2026, or for FY2025, as applicable.

Pharmaceutical Business

Gastroenterology Area


Lialda


Cortiment


Omvoh


Goofice

Cardiovascular Medicine Area


Urece


Treprost


Epadel

Obstetrics and Gynecology Area


Dienogest

Psychiatry Area


Lexapro

Biosimilars (Japan)

No. 1* **in biosimilar sales**

No. 1 in biosimilar sales on an NHI drug price basis among major developers in Japan

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Biomaterials Business


ReFeel


Mochi-Gel

Healthcare Business


Collage Furfur


Collage Repair



Message from the President

Naoyuki Mochida,
Representative Director, President

Through the provision of unique products that meet healthcare needs, Mochida Pharmaceutical Group will help improve the QOL of patients and their families, support women in their various life stages, and contribute to human health and well-being.
We will steadily fulfill this mission, even amid significant changes in society and the healthcare environment.

Review of Fiscal 2025

The environment surrounding Japan's pharmaceutical industry remains challenging due to factors such as annual NHI drug price revisions and rising raw material costs. In this environment, the Group's consolidated results for fiscal fiscal 2025 showed gains in both sales and profit, driven by growth in new drugs and healthcare products. The Group achieved record-high net sales of 116.9 billion yen.
The pharmaceutical business reported net sales of 109.0 billion yen, due primarily to growth in sales of new drugs, which offset the impacts of the NHI drug price revisions and the selective treatment scheme for long-listed products. While net sales of long-listed products fell year on year, sales of the new drugs Lialda, Omvoh, Goofice, Urece, and Treprost, as well as generics including biosimilars, exceeded the levels recorded a year earlier. In the healthcare business, both the Collage Furfur and Collage Repair brands continued to post sales growth. Additionally, the Collage Furfur Plus series launched in February 2026 also contributed, resulting in net sales of 7.9 billion yen.
Operating profit reached 10.1 billion yen, due to an increase in gross profit as a result of higher net sales in the pharmaceutical business. Non-operating income also increased due to a higher share of profit from entities accounted for using the equity method, following the acquisition of a 20% stake in And Pharma Co., Ltd. in October 2025 and its designation as an equity-method affiliate. As a result, ordinary profit came to 11.1 billion yen, while profit attributable to owners of parent was 7.9 billion yen.

Progress on the 25-27 Medium-term Management Plan (25-27 MTP)

In 2022, the Group established "Vision for 2031" as the Group's vision for the realization of sustainable growth. To achieve this vision, we have positioned the three-year period from fiscal 2025 to fiscal 2027, the period covered by the 25-27 MTP, as a period for accelerating the Group's growth strategy and are implementing a range of measures. I believe that the steady implementation of initiatives to realize the Vision for 2031 is an important management responsibility.
Our 25-27 MTP sets out three key themes: "strengthening the profitability of core businesses," "continued investment in growth businesses," and "strengthening the management foundation to support growth." In fiscal 2027, which is the final fiscal year of the plan, we aim to achieve net sales of 120 billion yen, operating profit of 12 billion yen, and EBITDA*1 plus R&D expenses of 26.5 billion yen. In fiscal 2025, which was the first fiscal year of the plan, net sales were 116.9 billion yen, operating profit was 10.1 billion yen, and EBITDA plus R&D expenses were 25.2 billion yen. We believe this was a year in which we made steady progress in laying the foundations for future growth. In fiscal 2026, the second year of the MTP, we will turn our achievements in the first fiscal year into solid growth. We will further accelerate initiatives on the three key themes and work together as a Group to make steady progress towards achieving the goals of the 25-27 MTP.
Regarding the first key theme, "strengthening the profitability of core businesses," we are working to further grow our pharmaceutical and healthcare businesses.
In the pharmaceutical business, we have positioned the five major new drugs Urece, Omvoh, Cortiment, Goofice, and Treprost as growth drivers and aim to achieve combined net sales of 48.0 billion yen in fiscal 2027. In fiscal 2025, sales of these five drugs increased to 32.9 billion yen. Going forward, we will continue to enhance the value of each product while meeting healthcare needs. We have also achieved steady growth in sales of our flagship drugs that have underpinned the Group's pharmaceutical business for many years. In December 2025, we launched an authorized generic of Epadel S and achieved the No. 1*2 share of the EPA formulation market in Japan by volume. The Dienogest formulation is steadily becoming more widely used as it gains recognition as a treatment option for women with dysmenorrhea. By leveraging the Group's strengths in the field of obstetrics and gynecology, we will seek further market penetration. We are also expanding our biosimilar portfolio to support future growth. In fiscal 2025, we introduced two products, including a follitropin alfa biosimilar. The follitropin alfa biosimilar is the Group's first biosimilar in the field of obstetrics and gynecology. We expect it to provide a new treatment option for infertility.
In the healthcare business, we aim for continuous net sales growth and further business expansion, driven by the two brands, Collage Furfur and Collage Repair. In fiscal 2025, we launched a new series. We plan to launch another series in fiscal 2026 or later.
As for the second key theme, "continued investment in growth businesses," we are making investments in the biomaterials business, oligonucleotide therapeutics, cell therapy products, and global expansion. These are important fields for opening up the Group's next growth phase. Rather than focusing solely on short-term results, we will continue investing with future growth in mind and use these investments to create new value.
In the biomaterials business, we are making progress with the development and sale of medical devices based on alginate. In December 2025, we launched Mochi-Gel, a cartilage repair device that became the first in Japan to be approved as an absorbable cartilage-regeneration material. Additionally, in July 2025, we established Mochida Medical USA, Inc. in Tennessee to sell ReFeel, a nerve regeneration material, and develop new medical devices in the United States.

*1 EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization
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We are also continuing initiatives toward the future commercialization of oligonucleotide therapeutics and cell therapy products. For oligonucleotide therapeutics (siRNA drugs), we are steadily advancing preclinical studies while also focusing on out-licensing activities. In the field of cell therapy products, we are collaborating with companies with expertise and technologies in regenerative medicine to advance the development of therapies using umbilical cord-derived mesenchymal stromal cells (HLC-001), stem cells from human exfoliated deciduous teeth (SHED), and high-purity mesenchymal stem cells (RECs: Rapidly Expanding Cells). For HLC-001, we have initiated a Phase III clinical trial and are working toward obtaining manufacturing and marketing approval.
As for global expansion, we are making progress in expanding Epadel and dienogest formulation overseas. The rollout of Epadel across Asia is progressing. Following its launch in Thailand, Epadel went on sale in Vietnam in February 2026 and we obtained new drug approval for Epadel in China. We will continue to strengthen collaboration with our partners with a view to obtaining approvals and launching Epadel in China, South Korea and Taiwan, as well as in ASEAN countries other than Thailand and Vietnam. We have also signed agreements to market dienogest formulation in South Korea and Thailand, and we are working in cooperation with partners to launch dienogest formulation in both countries.
The third key theme is “strengthening the management foundation to support growth.” To achieve sustainable growth, a company must strengthen the foundations for continuously providing value to society and stakeholders. Mochida Pharmaceutical Group is working to strengthen the management foundation on three fronts: financial strategy, efficient use of human resources and infrastructure, and the stable supply of products of appropriate quality.
On the financial front, we place importance on balancing higher profit levels with investment for future growth. We believe that both improvements in profitability and investment in the future are essential for sustainable growth. During fiscal 2025 , we made investments for future growth. In addition to R&D investments to expand the pipeline and develop new drugs, we made capital investments to strengthen our production and research infrastructure, as well as strategic investments. In terms of strategic investments, we made investments on the largest scale in the Group’s history, including making And Pharma Co., Ltd. an equity-method affiliate and acquiring the manufacturing and marketing rights for Urece, in an effort to strengthen our medium- to long-term earnings base. Our investment in And Pharma Co., Ltd. is positioned as a concrete initiative for delivering medical economic value through generic drugs and biosimilars. By combining And Pharma’s manufacturing and supply capabilities with the development and quality control expertise and insights that the Group has accumulated as a brand-name drug manufacturer, we will work to ensure a stable supply of generics and biosimilars and maintain their quality.
We are also focusing on the efficient use of human resources and infrastructure. We believe that our employees are the driving force behind the Group’s sustainable growth. I am confident that the willingness of each employee to take on challenges and grow will drive the Group’s future. To enhance our corporate competitiveness, it is important to attract and develop talent capable of taking on challenges and continuously creating value in a rapidly changing environment, while building an organization in which diverse employees can realize their full potential. To achieve this, we will transform our organizational culture to foster an ethos that encourages employees to take on challenges and a culture of praise, strengthen our human resource management system, including support for employees’ career development, and promote the active participation of diverse talent through initiatives including those that support the advancement of women.
Additionally, we will promote digital transformation and facility management to create a highly productive work environment. Furthermore, we are focusing on the stable supply of products of appropriate quality. As a pharmaceutical company, we have an important responsibility to ensure a stable supply of products of appropriate quality. Under our basic policy of properly implementing product quality management, strengthening manufacturing capabilities, and ensuring a stable supply, we are working to establish a stable production system, manage risks, and strengthen our product quality and safety management systems.
Through such initiatives, we will build a strong management foundation that supports sustainable growth and seek to further enhance corporate value.

Toward Sustainable Enhancement of Corporate Value

The Group traces its origins back to its foundation in 1913 when the founder, Ryokichi Mochida, opened a pharmacy in Hongo, Tokyo and began manufacturing pharmaceuticals based on a belief in “innovative research.” This founding spirit has been passed down in our motto “Farsighted, Innovative Research” and our corporate philosophy of “Actively contributing to human health and well-being in the field of medicine, totally committed to the development of innovative products.” Guided by this spirit, the Group has continuously taken on the challenge of creating unique products.
The Group has identifying materiality to be addressed as a priority to achieve sustainable enhancement of corporate value. Materiality related to our businesses are “creation of unique products to meet needs,” “stable supply of products with appropriate quality,” and “maximization of product value.” The “creation of unique products to meet needs” is our mission as a pharmaceutical company, and we will create unique products that meet increasingly diverse medical and health needs and provide new value to society. The “stable supply of products of appropriate quality” is our responsibility, and we will seek to strengthen our product quality and safety management systems. We will also focus on “maximization of product value,” and by maximizing the potential of our products and engaging in appropriate information provision activities, we will seek to enhance our corporate value.
The two materialities underpinning the management foundation are “thorough compliance” and “expansion of human capital.” We believe that thorough compliance is an absolute prerequisite for a company’s continued existence and for maintaining the trust of society. In practicing compliance, I emphasize the importance of designing our internal systems and organization based not on the view that human nature is inherently good or evil, but on the view that human beings are inherently fallible. We believe that anyone can make an error of judgment depending on the circumstances. Therefore, rather than relying solely on individual qualities, we strive to avoid creating systems or environments that may lead people to make improper decisions.
Additionally, the Group has identified “expansion of human capital” as one of its materialitiy and promotes the creation of an environment in which each employee can realize their full potential. When employees with diverse experiences, knowledge, and values are free to express their opinions and engage in constructive dialogue while respecting one another, this can lead to new ideas and innovation. Through the development of such an organizational culture, we will achieve sustainable growth and enhance corporate value.

Support for Women at Different Stages of Their Lives

Since its foundation, the Group has provided a wide range of products related to women’s health.
In recent years, women’s health issues have been recognized as social issues that affect not only individual health and quality of life but also women’s ability to work and the sustainable growth of society as a whole. We believe that supporting women’s health is an important initiative that will also lead to the sustainable growth of society as a whole. The Group believes that it has an important role to play in addressing these women’s health issues by leveraging the obstetrics and gynecology expertise it has accumulated to date. In December 2025, we in-licensed Bonjesta, a treatment for nausea and vomiting during pregnancy (also known as “morning sickness”), as part of efforts to address women’s healthcare needs across different life stages. In connection with the introduction of Bonjesta, we received feedback from pregnant women and their families expressing hope that the treatment would alleviate the suffering caused by morning sickness and bring hope during pregnancy and childbirth. This reaffirmed the significant social value of the treatment. Through the provision of Bonjesta, we will help alleviate the strain caused by morning sickness while also helping pregnant women continue working and going about their daily lives with less physical and mental strain, thereby helping to create a society in which women can be healthier and thrive.
The Disease Awareness Office is also working to disseminate accurate information about women’s health and encourage women to seek gynecological care. In fiscal 2025, we launched Link, a website that provides reliable information about health conditions specific to women. Through Link, we provide information that encourages women to take a more active role in managing their health.
The Group also believes it has an important mission to contribute to the realization of a society where women can lead healthy lives on their own terms across different life stages. Going forward, with the field of obstetrics and gynecology positioned as a priority area, we will continue supporting women at different stages of their lives and contributing to human health and well-being.

To Our Valued Stakeholders

The Group will aim to realize its “Vision for 2031” through the steady implementation of initiatives to achieve the goals of the MTP. Our basic policy on shareholder returns is to maintain stable dividends. We intend to maintain an annual dividend of at least 80 yen per share during the period of the MTP, and we plan to pay a dividend of 85 yen per share for the fiscal year ending March 31, 2027. We will also take a flexible approach to the acquisition of treasury shares.
To remain a company valued by patients, healthcare professionals and society, we will continually rise to the challenge of creating value that only the Group can provide. By helping to address medical and health issues through our unique products and enhancing corporate value over the medium to long term, we intend to live up to the expectations of our stakeholders.
We sincerely appreciate your continued support.

Value Creation Process

Mochida Pharmaceutical Group develops three business activities centered around materiality, based on our corporate philosophy. Through these activities, we provide distinctive products that respond to societal needs, and we are committed to delivering value as a pharmaceutical company in the form of “improvement in the QOL of patients and their families,” “support for the various life stages of women,” and “contribution to human health and wellbeing.” Additionally, we aim to contribute to the realization of a sustainable society, which will also lead to the achievement of the SDGs, and we will continue to grow as a company that is needed by society while striving for the sustainable enhancement of corporate value.

Inputs

Social issues

- Unmet medical needs
- Improvement of QOL
- Escalation of medical costs
- Women’s health

Financial capital
Assets and funds
- Total assets 182.7 billion yen

Human capital
Human resources for acceleration of innovation creation and productivity improvement
- Number of Employees (consolidated) 1,479
- Ratio of female employees (non-consolidated) 31.7%

Intellectual capital
Intellectual property rights, knowledge, technology, knowhow, brands
- R&D expenses 12.1 billion yen
- R&D expenses-to-sales ratio 10.4%

Social and relationship capital
Collaboration with subsidiaries and domestic/overseas partnerships
- 24 Key Partnering Companies

Manufactured capital
Production system enabling stable supply of high quality products
- 3 production bases. (Ohtawara, Tochigi / Fujieda, Shizuoka / Konosu, Saitama)
- Capital investment 1.8 billion yen

Natural capital
- Energy Consumption 311TJ
- Water Consumption 373 thousand m³

Business Activities

Pharmaceutical business



Biomaterials Business



Healthcare Business



The Five Materialities

Materiality Underpinning the Management Foundations
- Expansion of human capital
- Thorough compliance

Materiality Related to Our Businesses
- Creation of unique products that meet needs
- Stable supply of products with appropriate quality
- Maximization of product value

Outputs

Ethical Drugs



Medical Devices



Healthcare Products



Outcomes

Contribution to human health and well-being

Improvement in the QOL of patients and their families

Support for the different stages of a woman’s life



Contribution to a sustainable society



Sustainable enhancement of corporate value

Materiality (Material Issues)

Mochida Pharmaceutical Group identified material matters which the Group should address as a priority for the sustainable improvement of corporate value as materiality.
By focusing on our materiality, we will contribute to the realization of a sustainable society.

The Five Materialities

Among the Group's five Materialities, the Group will work on "creation of unique products that meet needs," "stable supply of products with appropriate quality" and "maximization of product value" as Materiality Related to Our Businesses and on "expansion of human capital" and "thorough compliance" as Materiality underpinning the management foundations.

Materiality Related to Our Businesses

- We will continue working on the "creation of unique products to meet needs," viewing increasingly diverse medical and healthcare needs as a business opportunity and adapting to changes in the business environment.
- Through the "stable supply of products with appropriate quality" and "maximization of product value," we will contribute to human health and well-being and seek to enhance our corporate value.

Materiality Underpinning the Management Foundations

- We believe that a major driver underpinning corporate value creation is "human resources" and therefore, we will strive to create a company and workplaces where every employee can demonstrate his or her full potential and grow.
- We are committed to promoting compliance, which is an absolute condition for corporate survival.

	Materiality	Vision	Main initiatives	KPI	25-27 MTP*1 period	FY2025
Materiality Related to Our Businesses	Creation of unique products that meet needs	Create farsighted and distinctive products to meet diversifying medical and healthcare needs	• Expanding pipelines • Development of new products in biomaterials, oligonucleotide therapeutics and cell therapy products	Number of in-licensed new products	3 products	1 product
				Number of healthcare product launches	2 series	1 series
				Number of biomaterial product launches	5 products	1 product
				Number of oligonucleotide therapeutics in clinical trials	1 item	In preclinical stage
				Number of cell therapy products in clinical trials	2 items	1 item
	Stable supply of products with appropriate quality	Properly implement product quality management and endeavor to maintain a stable supply	• Strengthening the quality and safety management system for products • Conducting risk management related to product supply operations • Establishing a stable production system framework over the medium to long term	Number of significant findings from regulatory inspections	0 cases	0 cases
				Number of product recalls	0 cases	0 cases
				Number of outages	0 cases	1 case
	Maximization of product value	Contributing to human health and well-being by maximizing the potential of our products	• Providing "new value" by continuously bringing new drugs to the market • Providing "unwavering value" through flagship drugs*2 • Providing "medical economic value" through generic drugs and biosimilars	New drug: Net sales of 5 major products	48 billion yen	32.9 billion yen
				Flagship drug*2: Volume share of EPA formulations	No. 1 in Japan	No. 1 in Japan*4
				Flagship drug*2: Net sales of obstetrics and gynecology field	15 billion yen	15 billion yen
				Biosimilar: Number of additional products	3 products	2 products
Materiality Underpinning the Management Foundations	Expansion of human capital	Developing an internal environment where diverse human resources can play an active role and cultivating human resources who will persevere in taking on difficult and new challenges and drive value creation	• Implementation of initiatives to support the advancement of women • Improving the workplace environments to increase employee engagement as a foundation for challenge • Implementing diverse training programs to enhance the value of human resources	Ratio of female managers (Mochida Pharmaceutical)	12% or more	12.4%
				Employee engagement score	(Disclosure of actual values)	Deviation score +0.4 YoY
				Number of training participants	(Disclosure of actual values)	397 persons
	Thorough compliance	Seek to enhance compliance awareness as an organization	• Providing compliance training • Operating a hotline for whistleblowing and consulting • Conducting employee surveys	Number of serious non-compliance incidents*3	0 cases	0 cases
				Awareness of the Hotline	100%	97%

*1 MTP: Medium-term Management Plan *2 Flagship drugs: Products that support long-term business growth *3 Incidents that have a significant impact on the Group's sales and profits or that are considered necessary to be disclosed outside the company
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Identifying Materiality

Through an assessment focusing on the two aspects, "importance to society" and "importance to the Group," we identified "creation of unique products that meet needs," "stable supply of products with appropriate quality," "maximization of product value," "expansion of human capital" and "thorough compliance" as materiality.

Process for Identifying Materiality

In 2022, the Group identifying materiality through the following process with reference to various principles and guidelines, and we have been working on our initiatives. In May 2025, we plan to review materiality to enhance their alignment with our management plan and set specific KPIs. Moving forward, we will reassess materiality as appropriate in response to changes in society.

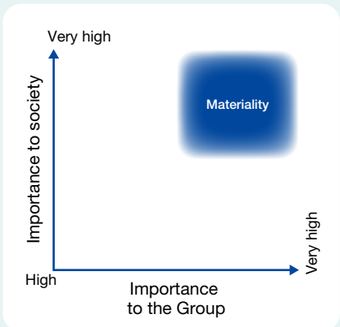
Identification Process

Step1 Identifying issues

Identify a wide range of potential materiality topics, taking various principles and guidelines such as SDGs, GRI Index and ISO26000, into consideration.

Step2 Organizing potential materiality topics

Map the identified issues on two axes: importance to society and importance to the Group, and narrow down the most important matters.



Step3 Identifying materiality

Identify the Group's materiality through discussions at the meetings of the Board of Directors and the Sustainability Committee.

Roadmap toward the Vision for 2031

FY22-24 Laying the Foundation

Foundation

Key Themes

- Maximization of Profits in Targeted Areas with a Focus on New Drugs
- Continuous Investment in Growth to Realize the “Vision for 2031”
- Strengthening of the Corporate Organization to Create Innovation and Improve Productivity

FY25-27 Accelerating Growth Strategy

Acceleration

Key Themes

- Strengthening the Profitability of Core Businesses
- Continued Investment in Growth Businesses
- Strengthening the Management Foundation to Support Growth

FY28-30 Achievement of Sustainable Growth

Vision for 2031

As a life and healthcare group, take on the challenge of addressing unmet medical and health needs by incorporating new drug discovery modalities that are expected to grow in the future.

Pharmaceuticals | Biomaterials | Healthcare

To lineup distinctive products and lead them to global markets

The Five Materialities

Materiality Underpinning the Management Foundations

- Expansion of human capital
- Thorough compliance

Materiality Related to Our Businesses

- Creation of unique products that meet needs
- Stable supply of products with appropriate quality
- Maximization of product value

2 Strategies Supporting Value Creation

Three Years of Accelerating Growth Toward Our Vision for 2031

FY22-24 Laying the Foundation

FY2024 Results

Net Sales	105.1
Operating Profit	8.1
R&D expenses	11.6
EBITDA*+R&D expenses	22.7

FY25-27 Accelerating Growth Strategy

FY2025 Results

Net Sales	116.9
Operating Profit	10.1
R&D expenses	12.1
EBITDA*+R&D expenses	25.2

FY2027 Target

Net Sales	120.0
Operating Profit	12.0
R&D expenses	12.0
EBITDA*+R&D expenses	26.5

FY28-30

Achievement of Sustainable Growth

Vision for 2031

FY2031 Target

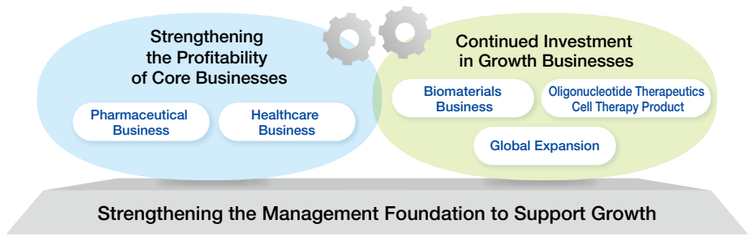
Net Sales	140.0
Operating Profit	21.0
R&D expenses	12.0
EBITDA*+R&D expenses	35.5

* EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization

(Billions of yen)

FY25-27 Medium-term Management Plan

During the 25-27 MTP period, we will position the pharmaceutical business and the healthcare business as core businesses and work to strengthen their profitability, while at the same time continuing to invest in growth businesses, specifically the biomaterials business, oligonucleotide therapeutics and cell therapy Products, and global expansion. Since profit contributions from growth businesses are expected after FY2028, the core businesses will support growth during the 25-27 MTP period. The Group will also focus on strengthening the management foundation to support "strengthening the profitability of core businesses" and "continued investments in growth businesses."



Pharmaceutical Business

- Maximize the product value of five major new drugs (Urece, Omvoh, Cortiment, Goofice, and Treprost)
- Expand pipeline through in-licensing
- Further enhance value of flagship drugs (High Purity EPA formulation, Dienogest formulation)
- Expand biosimilars

Healthcare Business

- Establish two major brands, Collage Furfur and Collage Repair
- Strengthen profitability through expansion of product lineup and optimization of sales network
- Establish position as No.1 in target markets based on sales

Biomaterials Business

- Secure revenue through early market launch
- Realize business and improve productivity through the development of the business foundation

Oligonucleotide Therapeutics

- Continuously develop highly differentiated new siRNA drug candidates through excellent clinical foresight
- Drive global expansion through out-licensing and alliances with major overseas partners
- Significantly increase profitability of domestic pharmaceutical business by moving domestic development in-house

Cell Therapy Products

- Achieve early commercialization through collaboration with companies that possess knowledge and technology related to regenerative medicines
- Push ahead with establishment of R&D and manufacturing structures and establish sales structure for making products widely available, with an eye on global expansion

Global Expansion

- Seek overseas development focusing on Epadel and Dienogest formulations and the biomaterials business

Financial Strategy

- Improve ROE and PBR by balancing improvement of profit levels with future investments
- Regarding cash allocation, a cumulative total of 36 billion yen for research and development expenses in the pharmaceuticals, biomaterials and healthcare businesses, and 5 to 10 billion yen for capital investments is planned during the 25-27 Medium-term Management Plan period

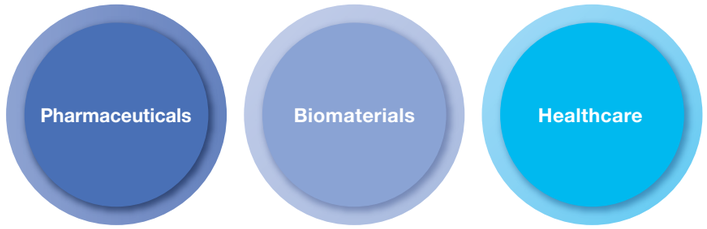
Efficient Use of Human Resources and Infrastructure

- Promote organizational culture transformation, strengthen human resource management system and facilitate active participation of diverse human resources
- Improve infrastructure that supports management foundation

Stable Supply of Appropriate Quality Products

- Build structure for stable production in the medium and long term
- Manage operational risks in relation to product supply
- Strengthen product quality and safety management structure

Vision for 2031



To lineup distinctive products and lead them to global markets

Pharmaceutical business

- To incorporate new drug discovery modalities to enhance our drug discovery pipeline and maintain the position as a core business;
- Among them, to position regenerative medicine products as one of our focus areas and give priority to projects using mesenchymal stem cells;
- To launch products from our pipeline that incorporate new drug discovery modalities, including regenerative medicine products, by fiscal year 2031.

Biomaterials business

- To promote each project based on alginate, which is expected to have various medical applications, and work for an early launch and business expansion. Also, to promote development with a view to global expansion.

Healthcare business

- To focus on developing high-performance, value-added dermatological skin care products through communications with physicians, pharmacists, and nurses etc.
- To steadily expand the scale of our business by improving our business structure via the investment of sales resources, etc., focusing on new areas, and introducing new and renewed products.

Overseas

- To expand into overseas markets by offering a lineup of distinctive products that meet the needs in each business segment.

Progress of the 25-27 Medium-term Management Plan

Strengthening the Profitability of Core Businesses

Pharmaceutical Business

Providing Three Types of Value Through Products

We provide three types of value through our products. We provide “new value” through new drugs, “unwavering value” through flagship drugs that support business growth over the long term, and “medical economic value” through generic drugs and biosimilars. During the 25-27 Medium-term Management Plan (25-27 MTP) period, we will strengthen the profitability of the pharmaceutical business by driving growth in major new drugs, expanding our new drug pipeline, enhancing the value of our flagship drugs Epadel and Dienogest formulation, and expanding biosimilars.

New value in bringing new drugs to the market

Bringing multiple new drugs to market over a 10-year period
Contributing to new and better medical care

New drugs launched since 2015

Hyperuricemia	Urece
Inflammatory bowel disease	Lialda, Cortiment, Omvoh
Chronic constipation	Goofice
Pulmonary arterial hypertension	Treprost Inhalation Solution
Hyperlipidemia	Epadel EM

Unwavering value from flagship drugs

Epadel
More than 30 years since launch
Contributing to medical care in Japan through the treatment of hyperlipidemia and arteriosclerosis obliterans

Dienogest formulation
More than 100 years since our founding
Growing as a specialty pharmaceutical company in the obstetrics and gynecology field
Contributing to improving women’s QOL and social advancement

Medical economic value of generic drugs and biosimilars

No. 1 in biosimilar sales in Japan*
FY2025: No. 1 in biosimilar NHI drug price sales in Japan by main developer

Widely providing pharmaceuticals with high medical needs as economical, high-quality generic drugs and biosimilars
Contributing to Japan’s medical economy

Growth of existing new drugs
Expansion of the new drug pipeline

Enhancing the value of flagship drugs

Expansion of biosimilars

Strengthening the profitability of the pharmaceutical business

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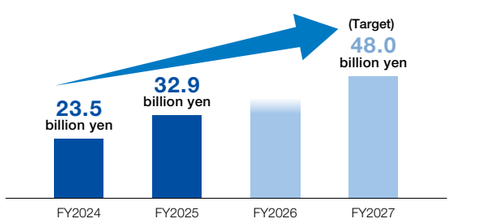
New Drugs

■ Five Major New Drugs

MTP KPIs

- Net sales of five major new drugs: 48.0 billion yen

Net sales of five major new drugs*



* Partially calculated based on NHI drug prices

During the 25-27 MTP period, the Group aims to more than double combined sales of Urece, Omvoh, Cortiment, Goofice, and Treprost compared with fiscal 2024, reaching 48.0 billion yen in fiscal 2027, the final year of the plan. In fiscal 2025, we worked to maximize product value by providing information tailored to the features of each product, resulting in combined sales of 32.9 billion yen for the five products.
Toward achieving the fiscal 2027 target, we will further expand sales of the five major new drugs in fiscal 2026.

Five Major New Drugs

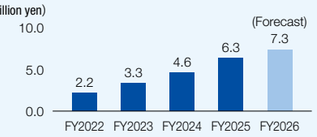
Urece



Treatment for gout and hyperuricemia
International Nonproprietary Name (INN): dotinurad
Launch year: 2020

Estimated number of patients: approximately 1.3 million patients with gout (as of 2022) and approximately 13 million patients with hyperuricemia

＊Sources: Ministry of Health, Labour and Welfare, Comprehensive Survey of Living Conditions 2022; the number of patients with hyperuricemia was estimated from the number of patients with gout with reference to the Japanese Society of Gout and Uric & Nucleic Acids’ Guidelines for the Management of Hyperuricemia and Gout and other sources.



Selective Urate Reabsorption Inhibitor (SURI) that is expected to be efficient at increasing uric acid excretion and lowering serum uric acid levels because it shows high selectivity for URAT1, a transporter present in the proximal tubules of the human kidney which promotes the reabsorption of uric acid, whilst having a small effect on other transporters.
We will focus on stressing product features and clinical trial data, aiming to contribute to better uric acid control.

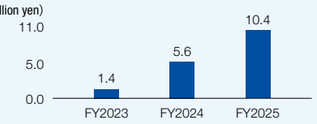
Omvoh



Treatment for ulcerative colitis and Crohn’s disease
International Nonproprietary Name (INN): mirikizumab
Launch year: 2023

Estimated number of patients: approximately 317,000 with ulcerative colitis and approximately 96,000 with Crohn’s disease (both estimated in 2023)

＊Source: 2023 nationwide epidemiological survey conducted by the Research Group for Intractable Inflammatory Bowel Disease under a Health and Labour Sciences Research Grant.



＊Calculated based on NHI drug prices
＊FY2026 forecast for Omvoh is undisclosed due to discussions with its alliance partner.

The world’s first anti-IL-23p19 monoclonal antibody approved for the treatment of ulcerative colitis. Clinical trial results have demonstrated improvement in bowel urgency, a symptom that affects the QOL of patients with ulcerative colitis. An additional indication for the treatment of Crohn’s disease was approved in March 2025.
We will leverage clinical trial data demonstrating long-term efficacy and safety to increase our market presence.

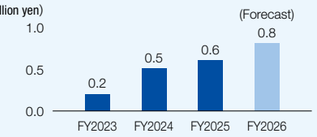
Cortiment



Treatment for ulcerative colitis
International Nonproprietary Name (INN): budesonide
Launch year: 2023

Estimated number of patients: approximately 317,000 with ulcerative colitis (estimated in 2023)

＊Source: 2023 nationwide epidemiological survey conducted by the Research Group for Intractable Inflammatory Bowel Disease under a Health and Labour Sciences Research Grant.



Oral drug delivery system (DDS) formulation with budesonide, a locally acting steroid, as the active ingredient. It is designed to achieve colon-specific delivery of budesonide and sustained release of budesonide to the colon. This enables once-daily treatment. We aim to help improve the QOL of patients with ulcerative colitis, as this product is a colon-specific drug delivery system and can be expected to have good patient adherence.

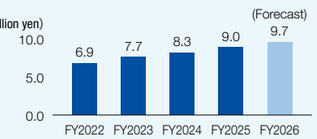
Goofice



Treatment for chronic constipation
International Nonproprietary Name (INN): elobixibat
Launch year: 2018

Estimated number of patients: prevalence of chronic constipation of 10–15%

＊Source: Japanese Gastroenterological Association, Evidence-Based Clinical Practice Guidelines for Chronic Constipation 2023.



Bile acid transporter inhibitor, indicated for the treatment of chronic constipation. Inhibits the reabsorption of bile acids thereby increasing the flow of bile acids to the colon. The dual action of moisture secretion and bowel movement promotion facilitates defecation.
Through the promotion of natural defecation, we aim to help improve the QOL of patients with chronic constipation and increase our market share.

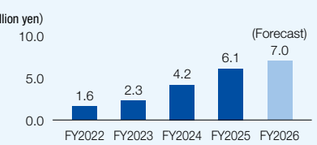
Treprost



Treatment for pulmonary arterial hypertension and pulmonary hypertension associated with interstitial lung disease
International Nonproprietary Name (INN): treprostinil
Launch year: 2014 (injection), 2023 (inhalation solution)

Number of certified recipients: 4,906 patients with pulmonary arterial hypertension (Fiscal 2024)

＊Source: Japan Intractable Diseases Information Center, Number of Holders of Recipient Certificates for Specified Medical Expenses (Designated Intractable Diseases) (Fiscal 2024).



Therapeutic agent for the rare disorder pulmonary arterial hypertension, available as an injection and an inhaled formulation. The inhaled formulation obtained approval for the additional indication of pulmonary hypertension associated with interstitial lung disease in September 2024. This represents the first treatment approved in Japan for this specific condition.
We will seek to maximize the synergies of the different formulations, aiming to help improve the QOL of patients suffering from the rare disorder.

■ Creating New Value

MTP KPIs

- In-license three new products

• Licensing Activities

We have identified pipeline expansion through in-licensing as one of our strategies and are promoting licensing activities with the goal of securing three in-licensed products by fiscal 2027.
In fiscal 2025, we entered into an agreement with Duchesnay Inc. in December 2025 for the development and commercialization of Bonjesta, a treatment for nausea and vomiting of pregnancy (NVP), in Japan. Nausea and vomiting in early pregnancy, commonly known as morning sickness, affects more than half of pregnant women in Japan and can significantly disrupt daily life and continued employment. Until now, no drug had been approved in Japan specifically for NVP, and working pregnant women were sometimes compelled to take leave from work. Bonjesta is an oral combination formulation containing an antihistamine and a vitamin B6 derivative as active ingredients and is approved in 43 countries and states worldwide. Because it had not been approved in Japan, the Ministry of Health, Labour and Welfare invited companies to develop the product following a request from the Japan Society of Obstetrics and Gynecology. We believe that introducing Bonjesta to the Japanese market will also help address drug loss in Japan. We will further accelerate licensing activities to secure additional in-licensed products.



Major Alliances

Alliance Partner	Country	Subjects (Year of Conclusion)
EA Pharma Co., Ltd.	Japan	Purchasing and exclusive distribution of Atelec (1997) Purchasing and exclusive distribution of Atedio (2013) Co-development and co-distribution of Goofice (2016)
S-Quatre Corporation	Japan	Co-development and exclusive distribution of regenerative medicine for the treatment of rare and intractable diseases in the gastrointestinal area such as isolated hypoganglionosis (2020) Co-development and exclusive distribution of stem cells from human exfoliated deciduous teeth (SHED) based treatment for pediatric cerebral palsy and traumatic brain injury (2025)
LG Chem, Ltd.	South Korea	Development and exclusive distribution of Etanercept BS MA (2012) Development and exclusive distribution of Adalimumab BS MA (2014) Sales partnership for Dinagest: South Korea and Thailand (2026)
Kuhnil Pharm. Co., Ltd.	South Korea	Sales partnership in South Korea for Epadel (2024)
Gedeon Richter plc.	Hungary	Development and exclusive distribution of Teriparatide BS MOCHIDA (2010) Development and exclusive distribution of Tocilizumab BS MA (2020)
Senju Pharmaceutical Co., Ltd.	Japan	Development of TRPV1 antagonists
Takeda Pharmaceuticals U.S.A., Inc.	U.S.	Development and exclusive distribution of Lialda (2009)
Qilu Pharmaceutical Co., Ltd.	China	Development and exclusive distribution of a biosimilar of follitropin alfa (genetical recombination) (2026)
Duchesnay Inc.	Canada	Development and exclusive distribution of Bonjesta (2025)
Nissui Corporation	Japan	Purchasing of API of Epadel (1990)
Eli Lilly Japan K.K.	Japan	Purchasing and exclusive distribution of Omvoh (2022)
Bayer AG	Germany	Development, manufacturing and exclusive distribution of Dinagest (1992)
Human Life CORD Japan Inc.	Japan	Co-development and exclusive distribution of regenerative medicine product HLC-001(2023)
PuREC Co., Ltd.	Japan	Tripartite collaborative research, involving academia using high purified mesenchymal stem cells (RECs-Rapidly Expanding Cells) and ultra-purified sodium alginate (2020)
Ferring Pharmaceuticals Co., Ltd.	Japan	Purchasing and exclusive distribution of Cortiment (2022)
FUJI YAKUHIN CO., LTD.	Japan	Co-development and exclusive distribution of Urece (2017) Note: On March 30, 2026, we entered into an agreement with FUJI YAKUHIN CO., LTD. to acquire the marketing authorization and related assets for Urece in Japan.
Marubeni Pharmaceutical (Suzhou) Co., Ltd.	China	Development partnership in China for Epadel (2016)
Meiji Seika Pharma Co., Ltd.	Japan	Sales partnership for Epadel: Thailand (2017), Vietnam (2020), China (2024), ASEAN and Taiwan (2024)
Janssen Pharmaceutical K.K.	Japan	Purchasing and exclusive distribution of Tramcet (2013)
United Therapeutics Corporation	U.S.	Development and exclusive distribution of Treprost (2007) Development and exclusive distribution of Treprost Inhalation Solution (2017) Development and exclusive distribution of TYVASO DPI ™ (2024)
H. Lundbeck A/S	Denmark	Development, manufacturing and exclusive distribution of Lexapro (2001)

• Development

For Lialda, we obtained approval in June 2025 for the addition of dosage and administration for pediatric patients, as well as manufacturing and marketing approval for Lialda Tablets 600 mg. For Tocilizumab BS MA, a treatment for rheumatoid arthritis and other indications, we obtained manufacturing and marketing approval in March 2026. Mochida Pharmaceutical Sales Co., Ltd. obtained manufacturing and marketing approval in August 2025 for Ethyl Icosapentate Granular Capsules MOCHIDA, an authorized generic of the high-purity EPA preparation Epadel S. For MD-712, a Dry Powder Inhaler for the treatment of pulmonary hypertension, we filed an application for manufacturing and marketing approval in April 2026. For Urece, we filed an application in July 2026 for approval of the addition of dosage and administration for pediatric patients.
We are expanding our development pipeline to create new treatment options that address unmet medical needs. As of August 2026, our pipeline included two products at the application stage and one product in Phase II/III clinical trials.

Pharmaceutical Development Pipeline

As of August 3, 2026

Product Name or Development Code (Generic Name)	Stage	Indications	Formulation	Remarks
Lialda (mesalazine)	Approved	Ulcerative colitis (pediatric indication)	Oral	
Tocilizumab BS MA (tocilizumab)	Approved	Rheumatoid Arthritis, etc	Injection	Biosimilar
Ethyl Icosapentate Granular Capsules MOCHIDA (icosapent)	Approved	Improvement of ulcers, pain, and cold sensation associated with arteriosclerosis obliterans and hyperlipidemia	Oral	
MD-712 (treprostinil)	Filed	Pulmonary arterial hypertension and pulmonary hypertension associated with interstitial lung disease	Dry Powder Inhaler	
Urece (dotinurad)	Filed	Gout and hyperuricemia (pediatric indication)	Oral	
MD-352 (dienogest formulation)	Phase II / III	Dysmenorrhea	Oral	

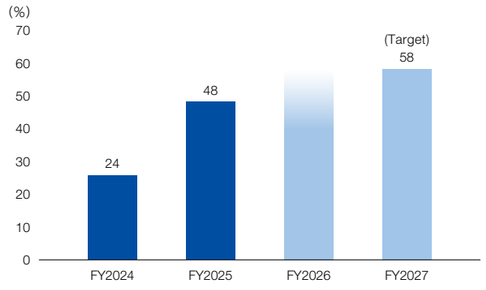
Flagship Drugs

■ High-Purity EPA Preparation

MTP KPIs

- No. 1 in Japan for EPA formulations by volume share

Volume share of EPA formulations in Japan*



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Since launching Epadel Capsule in 1990, we have contributed to the treatment of hyperlipidemia and arteriosclerosis obliterans for more than 30 years. To meet diverse medical needs, we launched Epadel S in 1999, an easy-to-swallow seamless capsule approximately 4 mm in diameter, followed by Epadel EM in 2022, a self-emulsifying formulation of highly purified EPA that can be administered once daily. In December 2025, Mochida Pharmaceutical Sales Co., Ltd. launched an authorized generic of Epadel S and is working to achieve further market penetration and sales growth.
As of the end of fiscal 2025, our EPA drugs had secured the No. 1* position in Japan, with a combined volume share exceeding 40%. Going forward, as a pioneer in EPA formulations, we will continue to provide high-purity EPA preparation reliably and promote their value, aiming to maintain the No. 1 volume share in the Japanese EPA formulations market throughout the 25-27 MTP period.

■ Dienogest Formulation

MTP KPIs

- Net sales in the obstetrics and gynecology field, including Dienogest formulation: 15.0 billion yen

Since our founding, we have been developing and providing products related to women's health. We have a strong presence in the obstetrics and gynecology field, focusing on Dienogest formulation indicated for endometriosis, the reduction of pain caused by adenomyosis and the treatment of dysmenorrhea. In 2008, we launched Dinagest Tablets 1 mg (active ingredient: dienogest), a pioneering oral treatment for endometriosis, and in 2016 added the indication of reducing pain associated with adenomyosis. In 2020, we launched Dinagest Tablets 0.5 mg for the treatment of dysmenorrhea. Mochida Pharmaceutical Sales Co., Ltd. markets authorized generics of Dinagest Tablets/OD Tablets 1 mg and Dinagest Tablets 0.5 mg, providing Dienogest formulation tailored to diverse needs.
In fiscal 2025, against the backdrop of higher consultation rates among patients with dysmenorrhea, the authorized generic of Dinagest Tablets 0.5 mg performed strongly, and sales in the obstetrics and gynecology field reached 15.0 billion yen. We also continued disease awareness activities to increase social awareness of women's health. Going forward, with Dienogest formulation at the core, we will continue contributing to improving women's QOL as a specialty pharmaceutical company in the obstetrics and gynecology field.

Dienogest Formulation


Dinagest Tablets 1mg


Authorized Generic of Dinagest Tablets 1 mg


Dinagest Tablets 0.5mg


Authorized Generic of Dinagest Tablets 0.5 mg

Biosimilars

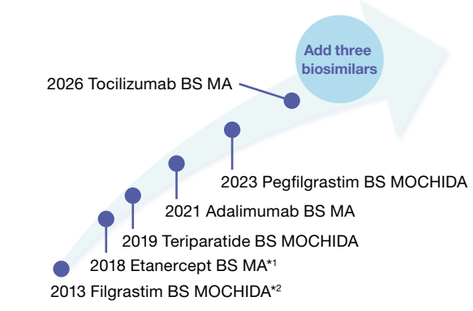
MTP KPIs

- Add three biosimilars

• In-Licensing

We are expanding our biosimilar portfolio through in-licensing. Against the target of adding three products under the 25-27 MTP, we in-licensed two products in fiscal 2025.
One of these was a follitropin alfa biosimilar in-licensed from Qilu Pharmaceutical Co., Ltd. in March 2026. Follitropin alfa is a recombinant human follicle-stimulating hormone (FSH) used for controlled ovarian stimulation in assisted reproductive technologies and for ovulation induction in women with anovulation or infrequent ovulation associated with polycystic ovary syndrome and other conditions. This is the Group's first biosimilar in the obstetrics and gynecology field and is expected to contribute as a new treatment option in fertility care.
We will continue to actively promote in-licensing activities and pursue further growth of the biosimilar business by expanding our product lineup.

MOCHIDA BIOSIMILAR



*1 Etanercept BS MA, Adalimumab BS MA and Tocilizumab BS MA are sold by AYUMI Pharmaceutical Corporation.
*2 Filgrastim BS MOCHIDA was discontinued in 2022.

• Sales

Since beginning biosimilar sales in 2013, we have provided biosimilars for more than 10 years and built extensive experience in both development and sales. In June 2026, we launched Tocilizumab BS MA, and we currently handle biosimilars covering five active ingredients.
As a result of continuously expanding our product lineup and sales activities, we achieved the No. 1*3 position among main developers in biosimilar sales in Japan in fiscal 2025, following fiscal 2024.
We will continue to leverage the expertise and track record we have accumulated to contribute to Japan's medical economy by providing biopharmaceuticals that address significant medical needs as high-quality, economical biosimilars.

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Biosimilars


Pegfilgrastim BS MOCHIDA


Teriparatide BS MOCHIDA

• Making And Pharma Co., Ltd. an Equity-Method Affiliate

In October 2025, we acquired a 20% stake in And Pharma Co., Ltd., making it an equity-method affiliate. And Pharma is a pharmaceutical group with one of Japan's largest business scales and product portfolios, centered on its core subsidiaries Nichi-Iko Pharmaceutical Co., Ltd., Kyowa Pharmaceutical Industry Co., Ltd., and T's Pharma Co., Ltd., which primarily operate in generic drugs. Through collaboration with And Pharma, we aim to enhance corporate value and create business synergies.
We are currently discussing with And Pharma the optimization of biosimilar manufacturing and contract manufacturing arrangements. In particular, we are considering collaboration on the filling process for future biosimilars, with the aim of establishing a stable supply system and improving production efficiency.
We recognize that strengthening manufacturing capacity is an important issue for further expansion of the biosimilar business. By further strengthening collaboration with And Pharma and realizing synergies, we aim to enhance the corporate value of both the Group and And Pharma.

MOCHIDA PHARMACEUTICAL CO., LTD.
and pharma


Kenji Miyajima
Member of the Board Executive Managing Officer

Message from the Executive Officer in Charge of Pharmaceutical Business

Under the 25–27 Medium-term Management Plan, which positions its three-year term as the "Accelerate Growth Strategy" period, we increased sales in our pharmaceutical business in fiscal 2025.
Fiscal 2026, which is the second year of the plan, is an important year in which we will further increase the earning capacity of the pharmaceutical business and steadily generate results that will support future growth investments.
Regarding the five major new drugs Urece, Omvoh, Cortiment, Goofice and Treprost, we will ensure the provision of appropriate information based on the product characteristics and evidence for each, helping broaden the treatment options open to patients and improve their QOL while also seeking to maximize product value.
We will further increase awareness of the clinical value of Urece, improve Goofice's position in the constipation market, and firmly establish the treatment positioning of Omvoh and Cortiment while generating synergy through our lineup of products in the inflammatory bowel disease (IBD) field.
For Treprost, we will focus on promoting proper use, raising awareness of treatment options for pulmonary hypertension associated with interstitial lung disease (ILD-PH) and expanding the market.
Through the allocation of resources to priority markets, the combination of digital measures with MR activities, and improvement in proposal capabilities across therapeutic fields, we will realize the sustainable growth of the five major new drugs.
Additionally, we will develop a multi-layered revenue base by increasing the value of flagship drugs and providing medical economic value through biosimilars.
Despite the challenging conditions in the pharmaceutical industry, we will accurately tap into increasingly diverse healthcare needs and manage our business with a strong focus on productivity and capital efficiency. Through this, we will achieve our Medium-term Management Plan targets and realize our "Vision for 2031."

Foundation for Value Creation in the Pharmaceutical Business

Providing products that meet medical needs through our unique research and development capabilities and alliances with partners in Japan and overseas.

Research

The Mochida Pharmaceutical Group (the “Group”) is advancing drug discovery research focused on siRNA drugs, a type of oligonucleotide therapeutics. The Group designs products with the potential for high clinical predictability and a clear competitive advantage and generates molecules for clinical development. The Group is also actively developing proprietary new technologies to advance the creation of even better siRNA therapeutics.

Development

By ensuring that the clinical development of pipeline drugs proceeds as scheduled, the Group has successfully obtained manufacturing and marketing approvals every year without interruption. The Group is actively pursuing the highly challenging development of treatments for refractory diseases, as well as development aimed at establishing appropriate dosage and administration for pediatric patients. The Group is also working to enhance its development pipeline by identifying unmet medical needs.

Production

The Group’s pharmaceutical products are mainly manufactured by Mochida Pharmaceutical Plant Co., Ltd. (“MPP”). Its Head Office Plant in Ohtawara, Tochigi Prefecture, manufactures injectable, solid (tablets, capsules, etc.), and semi-solid (creams, ointments, gels, etc.) dosage forms. With due consideration for safety, MPP continuously works to maintain stable operations, a stable supply, and appropriate quality. It also promotes highly reliable and efficient pharmaceutical manufacturing that meets diverse needs through manufacturing facilities and technologies aligned with global standards.

Sales and Information Provision Activities

Pharmaceutical companies are required to promptly provide healthcare professionals with accurate information about pharmaceuticals and to promote their appropriate use by collecting and evaluating information on efficacy, safety, and adverse drug reactions and communicating the results back to healthcare professionals. The Group works to enhance its information provision activities for healthcare professionals by integrating the activities of medical representatives, who are pharmaceutical information specialists, with medical and pharmaceutical seminars and digital marketing. The Group also contributes to patient treatment by using AI to provide information tailored to the needs of healthcare professionals.

Licensing Activities

The Group places a strong emphasis on alliances with numerous partners in Japan and overseas, including academia-industry cooperation and industry collaboration. The Group promotes the in-licensing and out-licensing of development programs and products in its priority areas and fields of expertise, as well as distinctive, high-value-added formulations that address medical and customer needs and useful pharmaceutical products that can contribute to society.

Intellectual Property

In its business activities, the Group endeavors to secure and utilize intellectual property rights, including patents, with a view to global commercialization and technical alliances such as licensing and collaborative research. To respect third parties’ intellectual property rights, the Group also conducts regular searches and careful evaluations and works to avoid intellectual property risks in its businesses. The Group conducts various intellectual property assessments, particularly when making important decisions, such as whether to advance a development program to the next stage. Also, with respect to new drug discovery modalities, the Group encourages the creation of intellectual property with a view to global expansion and promotes the strategic utilization of intellectual property.

Quality Control and Safety Management

Drugs affect human life and health. Accordingly, throughout the processes from drug manufacturing to distribution and use, pharmaceutical companies are required to exercise quality control and post-marketing safety management in compliance with the GQP and GVP Ministerial Ordinances issued by the Ministry of Health, Labour and Welfare. In the Group, the quality assurance function manages and evaluates product quality, ensures appropriate manufacturing control and quality control, and manages product release. It also collects, analyzes, and evaluates safety information and conducts safety surveillance using medical information databases, thereby supporting the Group’s business activities.

Lifecycle Management

Lifecycle management is an initiative to continuously enhance the value of pharmaceuticals after launch. Based on the concept of nurturing products, the Group seeks to maximize product value by expanding indications, adding dosage forms, and generating evidence through post-marketing clinical studies and database research, thereby broadening the value it provides in response to medical needs.

Healthcare Business

MTP KPIs

- Launch at least two new product series
- Achieve net sales of 10.0 billion yen

As a member of Mochida Pharmaceutical Group, Mochida Healthcare Co., Ltd. (MHC) has developed high value-added products under the motto “Farsighted, Innovative Research.” MHC will continue developing new products based on the capabilities cultivated through pharmaceutical development. MHC will also strengthen profitability by expanding its product lineup and optimizing its sales network, aiming to achieve the No. 1 sales position in its target markets of “dandruff and itchy scalp care,” “delicate zone cleansing,” and “protective skincare.”

● New Products

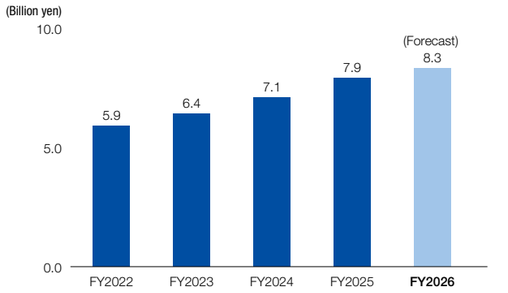
As the first step toward the 25-27 MTP KPI of launching at least two product series, MHC launched the Collage Furfur Plus series in February 2026. Developed under the concept “A more advanced answer to scalp concerns, inspired by medical science,” the series comprises six products addressing a range of scalp concerns, including itching, dandruff, and age-related changes. This has enabled MHC to meet a broader range of customer needs than ever before. Going forward, MHC will seek further growth of the Collage Furfur brand through the expansion of the Collage Furfur Plus series.



● Net Sales

In fiscal 2025, sales of both the Collage Furfur and Collage Repair brands grew steadily, reaching 7.9 billion yen.

Net Sales



Skincare based on dermatology

Troubleshooting support	Beautiful skin support
Treatment from the side	Sensitive skin management
Collage Furfur	Collage Repair

【Target Markets of the Healthcare Business】

Dandruff and itchy scalp care market in hair care
Delicate zone cleansing market in body care
“Protective skincare”* market in aesthetic dermatology

* “Protective skincare” refers to low-irritation skincare that supports the skin barrier function.

Foundation for Value Creation in the Healthcare Business

Developing highly functional skincare products based on dermatology and providing products that meet health needs

● Development

To deliver skincare products that combine low irritation with functionality based on dermatology, MHC identifies needs through communication with healthcare professionals and develops products supported by clinical trial data. Rather than ordinary products available anywhere, MHC aims to develop distinctive products that are “Japan’s first,” “unique in Japan,” or “No. 1,” and that delight its customers.

● Production

To deliver high-quality products, MHC manufactures mainly at the Saitama Plant of Mochida Pharmaceutical Plant Co., Ltd. under a rigorous quality control system. In manufacturing its products, MHC remains constantly mindful of maintaining a stable supply and reviewing raw materials, containers, and other components with consideration for the environment.

● Distribution and Sales

Because MHC wants its products to be recommended by knowledgeable professionals at the point of sale, MHC places the highest priority on pharmacies, drugstores, and other retailers staffed by pharmacists and beauty care advisors. In addition to in-store sales, MHC is strengthening mail-order sales to make its products widely available to customers with sensitive skin and other skin concerns.

● Scientific Information

MHC operates toll-free telephone and email consultation services through which customers can directly inquire about products and skincare or provide feedback. MHC also provides scientific information about its products to hospitals, clinics, pharmacies, and drugstores.

● Marketing

MHC promotes marketing strategies for each product, centered on the Collage Furfur and Collage Repair brands. MHC endeavors to understand consumer trends and market conditions related to skincare through questionnaires, online surveys, and other means. Taking seriously the opinions and requests of people with skin concerns and sensitive skin, MHC conducts information provision and promotional activities so that information about its products and skincare reaches customers appropriately.



Shinji Akita
Mochida Healthcare Co., Ltd.
President

Message from the President of Mochida Healthcare Co., Ltd.

In the first fiscal year of the 25-27 Medium-term Management Plan, we launched the new Collage Furfur Plus series of haircare products under our mainstay Collage Furfur brand. We strengthened the product lineup to address not only dandruff and itching but also various other scalp concerns associated with aging, hair coloring, stress, and other causes, with the aim of enhancing satisfaction among existing customers and offering new solutions.
We have positioned the current Medium-term Management Plan as “three years of Accelerating Growth Strategy.” Beginning with the launch of the Collage Furfur Plus series, we will continue to expand the product lineups of the Collage Furfur and Collage Repair brands.
Our business began in 1970 as the paramedical division of Mochida Pharmaceutical Co., Ltd. In 2004, the division was spun off as Mochida Healthcare Co., Ltd.
All our employees share the aspiration of “contributing to customers’ QOL and bringing smiles to their faces.” With our continued focus on skincare, our vision is to be “a company that supports people's skincare needs throughout their lives.”
As a member of a pharmaceutical group, we seek to contribute to society by addressing social issues such as the declining birth rate and aging population, the need to contain healthcare costs, shortages of healthcare and welfare professionals, and the promotion of self-medication. From the perspectives of prevention and pre-symptomatic care, we do so through businesses that support healthy skin and complement medical treatment.

Continued Investment in Growth Businesses

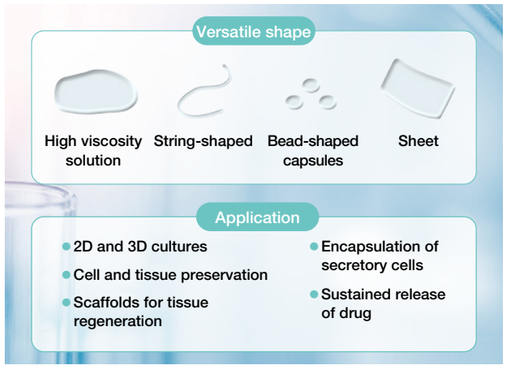
Biomaterials Business

MTP KPIs

- Launch of at least five products
- Net sales: 2.6 billion yen

In addition to our current mainstay pharmaceutical and healthcare businesses, we are working to develop the biomaterials business into one of our next-generation pillars. In particular, we are advancing various projects in the biomaterials business based on alginate.
Sodium alginate is a natural polymer derived from brown algae. It has the ability to form gels and can be processed into various forms and degrees of hardness. Potential applications of alginate in the biotechnology and medical fields include creating an environment suitable for tissue regeneration, 2D and 3D cell culture, cell and tissue preservation, encapsulation of secretory cells, and sustained drug release. We are exploring various medical applications of low-endotoxin sodium alginate suitable for use in the body.
In our development pipeline, dMD-002 for the repair of cavernous nerve injury and dMD-003 for the prevention of post-operative adhesion are currently at the therapeutic confirmatory study stage. In the U.S., the clinical trial application for dMD-002 was accepted by the FDA in March 2026, and the project is currently at the therapeutic exploratory study stage.
In addition, as part of our efforts to strengthen our quality assurance system and establish a foundation for global expansion, our head office and Fujieda site have obtained certification under ISO 13485, the international standard for quality management systems for medical devices, as well as certification under MDSAP*1.

*1 A program that enables a single audit to be conducted using a common set of audit criteria against the relevant medical device regulations of participating countries. Participating countries are Australia, Brazil, Canada, Japan, and the U.S.



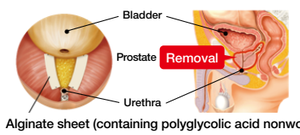
Medical Device Development Pipeline

As of August 3, 2026

Development Code	Stage: Therapeutic exploratory study	Stage: Therapeutic confirmatory study	Stage: Filed	Stage: Approved	Intended use or indications	Remarks
dMD-002		Therapeutic confirmatory study			Repair of cavernous nerve injury	**Alginate sheet** <Sheet material formed by applying freeze-dried sodium alginate to both sides of a polyglycolic acid nonwoven fabric>
dMD-003		Therapeutic confirmatory study			Prevention of post-operative adhesion	**Alginate sheet** <Alginate processed into a sheet to facilitate application (does not contain polyglycolic acid nonwoven fabric)>
dMD-002	Therapeutic exploratory study				Repair of cavernous nerve injury	Development country: U.S. **Alginate sheet**

Material for Repair of Cavernous Nerve Injury (dMD-002)

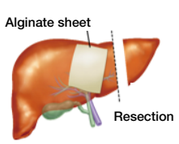
Repair of the neurovascular bundle damaged during radical prostatectomy using an alginate sheet



Alginate sheet (containing polyglycolic acid nonwoven fabric)

Material for Prevention of Post-operative Adhesion (dMD-003)

Application of an alginate sheet to the surgical site after liver resection to prevent adhesion



• Launch of the Cartilage Repair Device Mochi-Gel

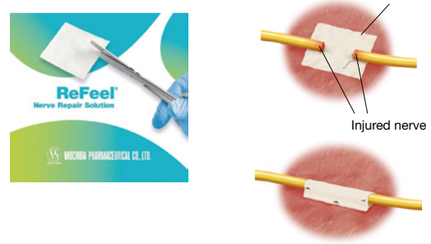
In December 2025, we launched the Cartilage Repair Device Mochi-Gel in Japan, marking the transition of the biomaterials business to a full-scale commercialization phase.
This product is used to treat articular cartilage injuries of the elbow and knee caused by traffic accidents, sports injuries, and other causes. Since articular cartilage has extremely limited capacity for self-healing, conventional treatments have involved harvesting healthy cartilage or cells from the patient and transplanting them into the damaged area, placing a significant physical burden on patients.
The sodium alginate solution used in this product has the unique property of instantly forming a gel upon contact with a calcium chloride solution. By taking advantage of this property, the sodium alginate solution is gelled at the site of injury, creating an environment conducive to cartilage regeneration. Furthermore, cartilage cells differentiated from the patient's own stem cells are retained within this environment, where the formation of healthy cartilage-like tissue is promoted.
Treatment with this product does not require harvesting healthy cartilage or cells from the patient and can be completed in a single surgery. The treatment can also be performed arthroscopically, helping to reduce the burden on patients. We are currently promoting the appropriate use of Mochi-Gel through the dissemination of information at academic conferences and promotional activities by our sales representatives, with the aim of ensuring that Mochi-Gel is used safely in appropriate patients.



• U.S. Expansion of ReFeel, a Material that Supports Nerve Regeneration

In the U.S., we are conducting limited sales of ReFeel for the purpose of collecting clinical data.
This product is intended for the treatment of peripheral nerve injuries caused by sports injuries, traffic accidents, and other causes. The number of cases in the U.S. is estimated at approximately 200,000 annually*2.
This product is a sheet-type medical device composed of sodium alginate and polyglycolic acid nonwoven fabric. The sheet material is formed by applying freeze-dried sodium alginate to both sides of the polyglycolic acid nonwoven fabric. At the site of nerve injury, the sodium alginate maintains an environment suitable for nerve regeneration, promoting nerve repair and regeneration. The polyglycolic acid nonwoven fabric also serves to maintain the flexibility and strength of the sheet material. The product is sutured around a severed or damaged nerve to support nerve regeneration. The product ultimately degrades completely in the body, leaving only the regenerated nerve tissue.

*2 Global Nerve Repair Biomaterial Market Insights, Forecast to 2025 (QYResearch, published in 2018)



• Establishment of Mochida Medical USA, Inc.

As part of the global expansion of our biomaterials business, we established Mochida Medical USA, Inc. near Memphis, Tennessee, U.S., in July 2025 as a base for our U.S. operations.
Mochida Medical USA, Inc. engages in the sale and development of medical devices.
Through these activities in the U.S., we will strive to contribute to improving patients' QOL while further growing our biomaterials business.

MOCHIDA MEDICAL USA, INC.

Oligonucleotide Therapeutics

MTP KPIs

- One product in clinical trials

At our Drug Discovery Research Center, we are dedicated to drug discovery research focused exclusively on siRNA therapeutics, a class of oligonucleotide therapeutics. In recent years, drug discovery has become increasingly challenging, and continuously generating innovative new medicines through in-house research has become a major challenge for many pharmaceutical companies. We believe that siRNA therapeutics hold the key to overcoming this challenge.
siRNA therapeutics enable the rapid design of highly active molecules based on the sequence information of target genes. Because a common drug discovery process can be applied across different targets, siRNA-based drug discovery can be pursued efficiently and with a high degree of reproducibility. Furthermore, siRNA therapeutics can address targets that are difficult to modulate with conventional small-molecule or antibody therapeutics, thereby significantly expanding the possibilities for drug discovery.
By developing proprietary technologies that maximize the potential of this powerful modality, and by using these technologies to continuously generate drug candidates for clinical development, we aim to become a “leading company in siRNA drug discovery.”
In fiscal 2025, we advanced the generation of new drug candidates for clinical development with the potential to provide a strong competitive advantage and initiated out-licensing activities to overseas companies.

What Are Oligonucleotide Therapeutics?

Oligonucleotide therapeutics are medicines composed of nucleotides, the building blocks of DNA and RNA. siRNA (small interfering RNA) therapeutics are one type of oligonucleotide therapeutics. They exert their pharmacological effects by selectively degrading target mRNA, which serves as the blueprint for the production of target proteins. siRNAs can be designed using software based on the sequence information of target mRNAs. The subsequent optimization process required to develop siRNAs into drug candidates can also be carried out efficiently using standardized approaches. In addition, siRNAs share many fundamental properties as medicines regardless of their targets, allowing for a high degree of predictability in their pharmacokinetics and safety profiles.
Small-molecule and antibody therapeutics can act only on a subset of the proteins found in the human body. In principle, however, siRNAs can target the mRNAs encoding virtually any protein. This ability to address a much broader range of target molecules is one of the major advantages of siRNA therapeutics and has the potential to greatly expand the universe of druggable targets.



Junichi Nezu, Ph.D.
Member of the Board Executive Managing Officer

Message from the Executive Officer in Charge of Research

Under our shared goal of becoming a “leading company in siRNA drug discovery,” we are pursuing drug discovery research focused on siRNA therapeutics, a new drug modality. One of the greatest challenges in drug discovery is to continuously generate new medicines through in-house research. While many companies achieve one or two successes, consistently replicating such success is no easy task.
To address this challenge, we chose a strategy of focusing on siRNA drug discovery. By leveraging the significant advantages of the siRNA modality, we believe that we can achieve highly reproducible drug discovery without relying on chance or luck.
As a result of the concerted efforts of all members of the Drug Discovery Research Center, we have successfully generated a drug candidate for clinical development with the potential to provide a strong competitive advantage. We are currently focusing our efforts on out-licensing this candidate to an overseas company with strengths in its target disease area, with the aim of advancing its global development through collaboration. In parallel, we are advancing several additional projects, all of which are progressing steadily.
Our goal is to generate at least one new drug candidate for clinical development each year and advance its global development through out-licensing. We are gaining confidence in our ability to achieve this goal, and motivation among the members of the Drug Discovery Research Center is growing. We will continue to devote our full efforts to becoming a drug discovery company capable of continuously generating high-value new medicines through in-house research.

Cell Therapy Products

MTP KPIs

- Two Products in Clinical Trials

In collaboration with companies that possess expertise and technologies in regenerative medicine, we are currently advancing three projects involving HLC-001, umbilical cord-derived mesenchymal stromal cells; SHED, stem cells from human exfoliated deciduous teeth; and RECs, highly purified mesenchymal stem cells.

• HLC-001: Umbilical Cord-Derived Mesenchymal Stromal Cells

HLC-001 is a cell therapy product using cells obtained from the umbilical cord, the tissue that connects the placenta and the fetus. We are working with Human Life CORD Japan Inc. toward the commercialization of HLC-001. Development is underway for the treatment of non-infectious pulmonary complications after hematopoietic stem cell transplantation. A clinical trial notification was submitted in January 2026, and HLC-001 is currently in a Phase III clinical trial.

• SHED: Stem Cells from Human Exfoliated Deciduous Teeth

SHED are mesenchymal stem cells obtained from the pulp cavity inside the tooth. They are expected to serve as a source of cells for cell therapy products that can be stably supplied in Japan. We are working with S-Quatre Corporation, which provides SHED, toward commercialization. The target diseases under consideration are rare and intractable diseases, including hypoganglionosis, as well as pediatric cerebral palsy and traumatic brain injury.

• RECs: Highly Purified Mesenchymal Stem Cells

RECs (Rapidly Expanding Cells) are highly purified mesenchymal stem cells isolated and purified from human bone marrow aspirate using a proprietary method established by PuREC Co., Ltd. Compared with mesenchymal stem cells isolated using conventional methods, RECs have superior proliferative, differentiation, and migratory capacities. We are working with PuREC Co., Ltd. to develop and commercialize new treatments for lumbar spinal stenosis, intervertebral disc herniation, and other degenerative disc diseases.

Cell Therapy Product Development Pipeline

As of August 3, 2026

Product Name or Development Code	Stage				Indications	Formulation	Remarks
	Phase II	Phase III	Filed	Approved			
HLC-001		Phase III			Non-infectious pulmonary complications after hematopoietic stem cell transplantation	Injection	Cell therapy product

Global Expansion

MTP KPIs and Progress

- Epadel

Region	MTP KPIs	Progress (as of August 2026)
Thailand	–	Launched (2021)
Vietnam	Launch	Launched (2026)
China	Launch	Approval obtained (2025)
Taiwan and ASEAN countries*	Approval in two countries (applications filed in four countries)	Sales agreement signed (2024)
South Korea	Approval	Sales agreement signed (2024)

* Excluding Thailand and Vietnam

- Dienogest Formulation

Region	MTP KPIs	Progress (as of August 2026)
Thailand	Application filed in at least one Asian country	Sales agreement signed (2026)
South Korea		Sales agreement signed (2026)

We are promoting the global expansion of Epadel and dienogest formulation.
For Epadel, we are developing our business through alliances in ASEAN countries, including Thailand and Vietnam, as well as in China, Taiwan, and South Korea. In fiscal 2025, a partner of Meiji Seika Pharma Co., Ltd. obtained approval to import and market Epadel for the treatment of hyperlipidemia in Vietnam, and the product was launched in February 2026. In China, we obtained new drug approval in December 2025 for Epadel, which had been under development by Marubeni Pharmaceutical (Suzhou) Co., Ltd., for the treatment of severe hypertriglyceridemia. We are currently working with Meiji Seika Pharma Co., Ltd., with which we have entered into a sales agreement, to prepare for the launch.
We are also taking steps to expand dienogest formulation in Asia. In fiscal 2025, we entered into a sales agreement with LG Chem, Ltd. covering South Korea and Thailand.

Strengthening the Management Foundation to Support Growth

Mochida Pharmaceutical Group is also working to strengthen the management foundation to support “strengthening the profitability of core businesses” and “continued investments in growth businesses.”

Financial Strategy

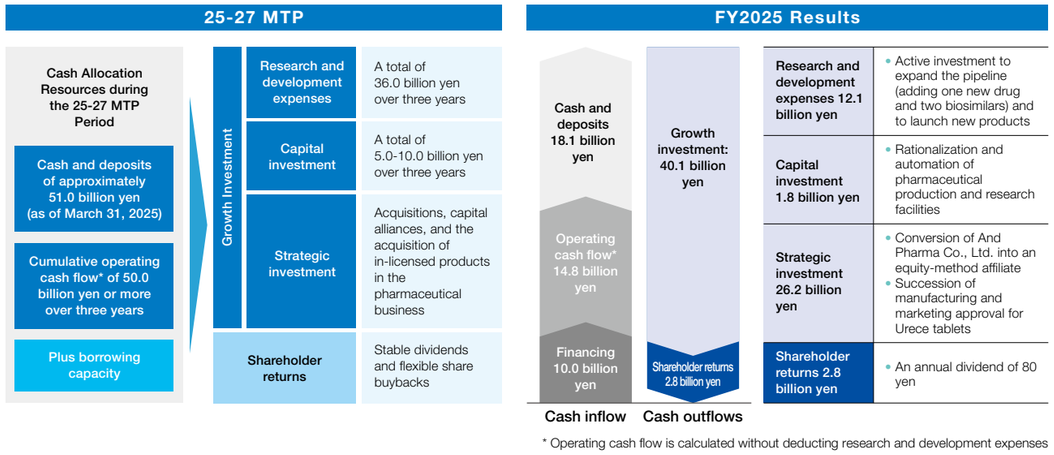
From the perspective of enhancing corporate value while taking the cost of capital into account, the Group places importance on balancing investments to further promote sustainable growth and maintaining and strengthening financial soundness and stable shareholder returns. During the period of the 25-27 Medium-term Management Plan, we plan to use cash and deposits and operating cash flow generated over the three-year period as the primary sources of funds, supplemented by borrowings as necessary, and allocate these funds to growth investments and shareholder returns.

Growth Investment

Over the three-year period of the 25-27 MTP, we plan cumulative research and development expenses of 36.0 billion yen and capital investment of 5.0-10.0 billion yen. We will also flexibly undertake strategic investments in the pharmaceutical business, including acquisitions, capital alliances, and the acquisition of in-licensed products.

The Group has set a target business scale for 2031 of 140.0 billion yen in total net sales and 21.0 billion yen in operating profit. Under the 25-27 MTP, we will steadily execute a growth strategy driven by both earnings from core businesses and investment in growth businesses, aiming for net sales of 120.0 billion yen and operating profit of 12.0 billion yen in fiscal 2027. To steadily advance these initiatives, we have established “EBITDA + Research and development expenses,” which represents a source of future growth, as a management indicator, and will evaluate progress from the perspectives of both investment and profit. We aim to achieve “EBITDA + Research and development expenses” of 26.5 billion yen in fiscal 2027. Although these investments may temporarily lower operating profit and ROE, we aim to improve ROE over the medium to long term by making investments that will enable the Group to achieve significant future growth, and to improve PBR as the market recognizes and values these initiatives.

Cash Allocation



* Operating cash flow is calculated without deducting research and development expenses

In fiscal 2025, the first year of the 25-27 MTP, the Group made total growth investments of 40.1 billion yen, comprising research and development expenses of 12.1 billion yen, capital investment of 1.8 billion yen, and strategic investment of 26.2 billion yen. Research and development expenses were used for expanding the pipeline and conducting research and development for the launch of new drugs. Capital investment was used to strengthen our production and research infrastructure.
As part of our strategic investments, we made unprecedented investments, including the conversion of And Pharma Co., Ltd. into an equity-method affiliate and the succession of the manufacturing and marketing approval for Urece tablets. We believe these investments will help strengthen our medium- to long-term earnings base and drive future profit growth.

Shareholder Returns

Our basic policy on shareholder returns is to maintain stable dividends while enhancing internal reserves in preparation for future business development. During the period of the 25-27 MTP, we intend to maintain an annual dividend of at least 80 yen per share. In fiscal 2025, we paid dividends totaling 2.8 billion yen, equivalent to 80 yen per share. The dividend payout ratio and total shareholder return ratio for fiscal 2025 were both 35.9%. For fiscal 2026, we plan to increase the annual dividend to 85 yen per share.

In recent years, companies have increasingly reviewed their cross-shareholdings. After certain shareholders indicated their intention to sell shares in the Company, the Group conducted a secondary offering of shares in April 2026 with the aim of improving the liquidity of the Company’s shares and broadening its individual investor base.
The Group is also working to improve profitability and capital efficiency while maintaining a balanced approach to shareholder returns. In line with this policy, from May through December 2026, the Group is conducting a share buyback with an upper limit of 2.0 billion yen in total acquisition cost and 530,000 shares in total. Going forward, we will continue working to strengthen our management foundation by balancing profit levels with investment for the future.

Efficient Use of Human Resources and Infrastructure

For a company to achieve sustainable growth, it is essential to continue providing value. Guided by a spirit of creativity and independence, the Group aims to nurture and utilize human resources who will take on challenges, driving and accelerating the creation of innovation and productivity improvement. Specifically, we will promote organizational culture transformation, strengthen our human resource management system, and facilitate the active participation of diverse human resources. Additionally, we will work to improve the infrastructure that supports our management foundation.
In fiscal 2025, we expanded opportunities for interaction across departments. By creating an environment in which employees with diverse experience and expertise exchange views and inspire one another, we are fostering innovation.
In fiscal 2026, we will enhance education and training and further strengthen our human resource management system so that every employee can fully demonstrate their capabilities.



Stable Supply of Appropriate Quality Products

Under its basic policy of properly implementing product quality management, strengthening manufacturing capabilities, and ensuring a stable supply, the Group is working to establish a stable production system, manage risks, and strengthen its quality and safety management systems. To ensure a stable supply, we plan to reinforce our supply base by securing production capacity that can respond to market needs and maintaining appropriate inventory levels.

Initiatives

Build a structure for stable production in the medium and long term	• Establish a production system capable of responding flexibly to market demand in accordance with the 25-27 MTP • Utilize the technology portfolio of Mochida Pharmaceutical Plant Co., Ltd. → Select products for production within the Group by leveraging technological advantages and consider the use of external resources • Promote optimal personnel allocation as well as automation, continuous manufacturing, and digital transformation at Mochida Pharmaceutical Plant Co., Ltd. to achieve higher productivity
Manage operational risks in relation to product supply	• Maintain appropriate inventory levels • Develop risk management plans, including alternative manufacturing arrangements for emergencies
Strengthen the product quality and safety management structure	

In fiscal 2025, we worked to establish a production system for the authorized generic version of Epadel S to ensure a stable supply while meeting demand. We also began considering the use of external resources, including companies under And Pharma Co., Ltd. In fiscal 2026, we will promote the establishment of a stable supply system through the optimal use of internal and external resources.

3 Governance

Fulfillment of Corporate Governance

Basic Policy on Corporate Governance

Mochida Pharmaceutical strives to increase Mochida Pharmaceutical Group's corporate value by placing the fulfillment of corporate governance and the reinforcement of compliance at the core of Group management, to better respond to our stakeholders' trust and expectations.
As part of Mochida Pharmaceutical Group policy on reinforcing corporate governance, important management decisions are discussed thoroughly by the Management Policy Meeting, if necessary, and are then made through discussion by the Board of Executive Managing Officers and the Board of Group Management, both of which meet on a weekly basis.
Mochida Pharmaceutical's Board of Directors includes Outside Directors, and the executive officer system has also been introduced to clearly separate the functions of the Board of Directors into management decision-making and the supervision of business operations so as to expedite management decision-making and business operations.
For the purpose of strengthening objectivity and accountability for the nomination and dismissal of the management team, the nomination of officer candidates, and proposals for compensation for the management team and Directors, Mochida Pharmaceutical has established the Nomination and Compensation Advisory Committee, a majority of which comprises Independent Outside Directors, as a voluntary advisory body to Representative Directors, and our corporate decisions are made in light of the opinions of said Committee.

■ Corporate Governance
https://www.mochida.co.jp/english/ir/corporate_governance/index.html

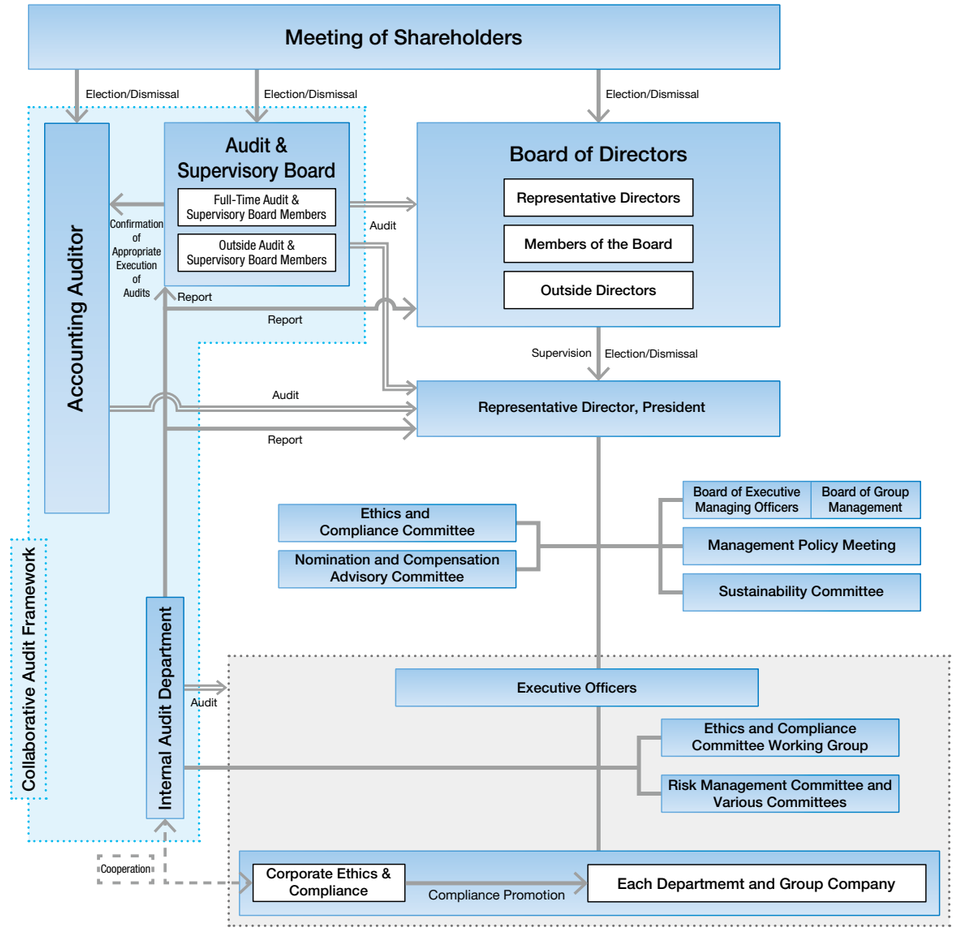
Corporate Governance Structure

Mochida Pharmaceutical has established a Board of Directors and an Audit & Supervisory Board as statutory bodies under the Companies Act. The Board of Directors comprises 11 Directors, of whom four are Outside Directors. The Audit & Supervisory Board comprises five Audit & Supervisory Board Members, of whom three are Outside Audit & Supervisory Board Members.
The reasons for adopting this governance structure, considering the company's scale and business operations, are as follows: (1) To ensure efficient management while securing a system where management oversight functions appropriately, it is deemed most suitable at this time to have a Board of Directors of an appropriate size, consisting of internal directors who are familiar with Mochida Pharmaceutical's business operations and internal affairs, as well as outside directors with extensive knowledge and experience in their respective fields, responsible for making management decisions; and (2) the corporate governance system that includes audit roles played by outside auditors is essential for effective management oversight.

Overview of the Board of Directors, Audit & Supervisory Board, and Nomination and Compensation Advisory Committee

	Members	Overview	Number of meetings held in FY2025 (attendance rate)
The Board of Directors	7 Internal Directors 4 Outside Directors	The Board of Directors deliberates important matters in accordance with the standards for Board Meeting agenda and makes appropriate decisions on important matters that require management's judgment. Main agenda items include proposals for the General Meeting of Shareholders, important personnel changes and organizational changes, establishment, revision and abolition of important internal regulations, cancellation of own shares, medium-term and single-year management and business plans (including the state of progress), sustainability initiatives (including status of activities), evaluation of effectiveness of the Board of Directors, risk management and compliance structure, and disposition of important property. An ordinary meeting of the Board of Directors is held once per month, and an extraordinary meeting is held as necessary. Audit & Supervisory Board Members also attend meetings of the Board of Directors.	14 times (Directors: 100%; Audit & Supervisory Board Members: 100%)
The Audit & Supervisory Board	2 Full-time Audit & Supervisory Board Members 3 Outside Audit & Supervisory Board Members	The Audit & Supervisory Board is responsible for making decisions on audit policies and audit plans, reviewing the status of audits by the Accounting Auditor, carrying out procedures for evaluating, appointing and dismissing the Accounting Auditor, preparing reports on the status of audits by Full-time Audit & Supervisory Board Members and audit reports, and studying proposals and documents to be submitted to the General Meeting of Shareholders. An ordinary meeting of the Audit & Supervisory Board is held every month and an extraordinary meeting is held as necessary.	17 times (99%)
Nomination and Compensation Advisory Committee	1 Internal Director 2 Outside Directors	The Nomination and Compensation Advisory Committee is a voluntary advisory body to the Representative Directors and is composed so that Independent Outside Directors constitute a majority of their members. It considers the appointment and dismissal of the management team, the nomination of officer candidates, and proposals for compensation for the management team and Directors. Meetings are held as necessary.	3 times (100%)

Corporate Governance Structure



Overview of Main Meetings and Committees

Meeting/Committee	Members	Overview	Meetings held in FY2025
Board of Executive Managing Officers / Board of Group Management	Representative Directors, and Directors and Executive Officers	Holds preliminary discussions on matters to be resolved by the Board of Directors and discusses important matters related to the management of Group companies and other important management matters that Representative Directors are authorized to decide	53 times
Ethics and Compliance Committee	4 Directors (including 1 Outside Director), 1 Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member), and 1 outside expert	Conducts internal checks and deliberates issues	1 time
Management Policy Meeting	Representative Directors, and Directors and Executive Officers	Discusses specific measures to be implemented by each division in relation to important management matters	114 times
Sustainability Committee	5 Directors	Considers actions to address sustainability issues	2 times

Specific Matters Considered by the Board of Directors in fiscal 2025

The main matters deliberated and decided in fiscal 2025 are listed below. In particular, regarding the subscription for the third-party allotment of shares and acquisition of shares in And Pharma Co., Ltd., in addition to the monthly preparatory briefings for Board of Directors meetings, reporting sessions and other meetings were held for Outside Directors and Audit & Supervisory Board Members to explain and discuss the business strategy, plans, risks and countermeasures, and the status of contract negotiations.

- Subscription for a third-party allotment of shares and acquisition of shares in And Pharma Co., Ltd. (making it an equity-method affiliate)
- Succession of the manufacturing and marketing approval for Urece Tablets and acquisition of related assets from FUJI YAKUHIN CO., LTD.
- Decision on the secondary offering of the Company's common shares
- Execution of a basic business alliance agreement with AUSPICIOUS Co., Ltd. concerning medical device products in the orthopedic field
- Execution of an agreement with Duchesnay Inc. concerning the development and commercialization of Bonjesta, a treatment for nausea and vomiting of pregnancy, in Japan
- Overseas business strategy, including the establishment of Mochida Medical USA, Inc.

Analysis and Evaluation of the Effectiveness of the Board of Directors

Every year, Mochida Pharmaceutical conducts a survey targeting all Directors and all Audit & Supervisory Board Members, including Outside Directors and Outside Audit & Supervisory Board Members, and the Board of Directors analyzes and evaluates the effectiveness of the Board of Directors based on the survey results. The survey results for Audit & Supervisory Board Members are used as reference opinions.
The results of the analysis and evaluation for fiscal 2025 confirmed that the Board of Directors functioned effectively. Mochida Pharmaceutical will continue making improvements to maintain and enhance the effectiveness of the Board of Directors, including further developing an environment that enables Outside Officers to fulfill their expected roles and further enhancing discussions on the direction of management, including corporate strategy.

Analysis and Evaluation Process

1. Conduct a survey of Directors and Audit & Supervisory Board Members
2. Compile and analyze the survey results
3. Discuss the survey results at a meeting of the Board of Directors
   - Report the results
   - Evaluate and identify issues
   - Consider future responses and other measures

Major Survey Items (5-point scale and open-ended responses)

- Matters related to the execution of duties by Directors
- Matters related to the overall effectiveness of the Board of Directors
- Matters related to the composition of the Board of Directors
- Matters related to the operation of the Board of Directors
- Matters related to deliberations by the Board of Directors
- Matters related to support for Directors, etc.
- Other comments

Criteria for Appointment and Functions and Roles of Outside Directors and Outside Audit & Supervisory Board Members

As criteria for independence from the Company when appointing Outside Directors, the Company appoints individuals who have no special interest in the Company, possess extensive knowledge and experience in corporate management, legal affairs or another specialist area, and can be expected to reflect their deep management insights in the Company's management.
As criteria for independence from the Company when appointing Outside Audit & Supervisory Board Members, the Company appoints individuals who have no special interest in the Company, possess a considerable degree of knowledge of finance and accounting or extensive knowledge and experience in corporate management, legal affairs or another specialist area, and can be expected to reflect their deep management insights in the Company's audits.
All Outside Officers have been designated as Independent Officers.

	Expected Functions and Roles
Tomoaki Sonoda	• Fulfill a supervisory function over management by drawing on his extensive specialist knowledge and experience as a university professor specializing in accounting and making appropriate comments and observations at meetings of the Board of Directors • Serve as a member of the Nomination and Compensation Advisory Committee
Shigeaki Yoshikawa	• Fulfill a supervisory function over management by drawing on his extensive domestic and overseas experience and achievements at a general trading company and his management experience as a Representative Director of a think tank and consulting company, and by making appropriate comments and observations at meetings of the Board of Directors
Mami Kobayashi	• Fulfill a supervisory function over management by drawing on her extensive experience and achievements in knowledge management and other areas at a management strategy consulting firm and operating companies, including global companies, and by making appropriate comments and observations at meetings of the Board of Directors • Serve as a member of the Nomination and Compensation Advisory Committee
Sanae Tanaka	• Fulfill a supervisory function over management by drawing on her extensive knowledge of corporate legal affairs as an attorney-at-law and her experience as an Outside Director and Outside Audit & Supervisory Board Member of operating companies, and by making appropriate comments and observations at meetings of the Board of Directors
Kyosuke Wagai	• Fulfill a supervisory function over management by drawing on his extensive specialist knowledge and audit experience as a certified public accountant and making appropriate comments and observations at meetings of the Board of Directors
Akiko Suzuki	• Fulfill a supervisory function over management by drawing on her extensive knowledge of corporate legal affairs as an attorney-at-law and making appropriate comments and observations at meetings of the Board of Directors
Yoshifumi Miyata	• Fulfill a supervisory function over management by drawing on his extensive experience at financial institutions and other organizations, including management experience, as well as his experience as an Outside Audit & Supervisory Board Member of another manufacturing company, and by making appropriate comments and observations at meetings of the Board of Directors

Supporting System for Outside Directors and Outside Audit & Supervisory Board Members

Outside Directors are supported through the enhancement of materials for meetings of the Board of Directors, distribution of materials ahead of meetings, and supplementary explanations of agenda items. Outside Audit & Supervisory Board Members are also supported through the enhancement of materials for meetings of the Board of Directors and Audit & Supervisory Board, distribution of materials ahead of those meetings, and supplementary explanations of agenda items. The Company has also appointed two full-time staff members to assist Audit & Supervisory Board Members in their duties and serve as the Secretariat of the Audit & Supervisory Board.

Training of Directors and Audit & Supervisory Board Members

Mochida Pharmaceutical provides newly appointed Directors with explanations about their roles and responsibilities as officers, including the Group's corporate governance structure and the Company's important regulations, and provides opportunities for training delivered by outside organizations as necessary. After assuming office, Directors are provided, as appropriate, with training sessions on developments in the pharmaceutical industry and business-related topics considered useful for the execution of their duties. Audit & Supervisory Board Members are provided with training in the same way as Directors, with the content determined by the Audit & Supervisory Board.

Changes in the Number of Directors and Audit & Supervisory Board Members

The Articles of Incorporation stipulate that the number of Directors shall not exceed 15 to facilitate prompt decision-making. Currently, two of the 11 Directors and two of the five Audit & Supervisory Board Members are women.

(Persons)

	FY2022	FY2023	FY2024	FY2025	FY2026
Total number of Directors	10	11	11	11	11
Outside Directors	3	4	4	4	4
Female Directors	1	1	1	2	2
Total number of Audit & Supervisory Board Members	5	5	5	5	5
Outside Audit & Supervisory Board Members	3	3	3	3	3
Female Audit & Supervisory Board Members	1	1	1	1	2

Officers' Compensation

Directors

Mochida Pharmaceutical has set a total amount of compensation, etc., for Directors approved at a General Meeting of Shareholders. The Board of Directors has resolved to delegate matters such as the monthly compensation of individual Directors and the timing, method and individual amounts of bonuses to the Representative Director, President and the Representative Director, Senior Executive Managing Officer, to be decided through discussion, taking into consideration the policy for determining individual compensation and the opinion of the Nomination and Compensation Advisory Committee. These matters are delegated because the Representative Directors are considered best suited to determine individual compensation by evaluating each Director's contribution in light of the performance of the Group as a whole.
Compensation for Directors consists of fixed monthly compensation and performance-based bonuses. The proportions of fixed compensation and performance-based compensation are set at levels considered appropriate to incentivize improvement in corporate value. Fixed compensation is a predetermined amount of base compensation plus an additional amount based on position, skills and other factors. Performance-based compensation is determined based on an amount calculated from fixed compensation and a comprehensive evaluation of consolidated net income and consolidated operating profit, which the Company considers key indicators for evaluating corporate performance, as well as each Director's contribution. Specifically, a winter bonus calculated based on fixed compensation and a summer bonus calculated based on fixed compensation and adjusted to reflect consolidated results and individual performance are paid.

Compensation for Outside Directors consists solely of fixed monthly compensation.
In addition, a fixed amount of monthly compensation determined according to position is contributed as stock-based compensation to an officers' shareholding association for the continuous acquisition of the Company's shares. Directors are generally required to hold such acquired shares throughout their term of office.

Audit & Supervisory Board Members

Mochida Pharmaceutical has set a total amount of compensation, etc. for Audit & Supervisory Board Members approved at a General Meeting of Shareholders, and allocations to each member are determined through consultation among the Audit & Supervisory Board Members.
Compensation consists of fixed monthly compensation and performance-based bonuses. Performance-based compensation is determined based on the duties expected of each member, taking consolidated results into account and reflecting the member's contribution.
Compensation for Outside Audit & Supervisory Board Members consists solely of fixed monthly compensation.
In addition, a fixed amount of monthly compensation is contributed as stock-based compensation to an officers' shareholding association for continuous acquisition of the Company's shares. Audit & Supervisory Board Members are generally required to hold such acquired shares throughout their term of office.

Total amount of compensation, total amount of compensation for eligible Members of the Board and Audit & Supervisory Board Members by type and number

Classification of Members of the Board/Audit & Supervisory Board Members	Total amount of compensation (millions of yen)	Total amount of compensation by type (millions of yen)			Number of eligible officers (persons)
		Fixed compensation	Performance-based compensation	Non-monetary compensation of the Performance-based compensation	
Members of the Board (excluding Outside Directors)	287	194	92	–	8
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	45	30	14	–	2
Outside Officers	54	54	–	–	8

Officers



Members of the Board

1 Representative Director, President
Naoyuki Mochida

2 Representative Director
Senior Executive Managing Officer
Junichi Sakaki, Ph.D.

3 Representative Director
Senior Executive Managing Officer
Motoi Mitsuishi

4 Member of the Board
Executive Managing Officer
Junichi Nezu, Ph.D.

5 Member of the Board
Executive Managing Officer
Kenji Miyajima

6 Member of the Board
Executive Managing Officer
Takeshi Mochida

7 Member of the Board
Corporate Advisor
Chu Sakata

8 Outside Director
Tomoaki Sonoda

9 Outside Director
Shigeaki Yoshikawa

10 Outside Director
Mami Kobayashi

11 Outside Director
Sanae Tanaka

Audit & Supervisory Board Members

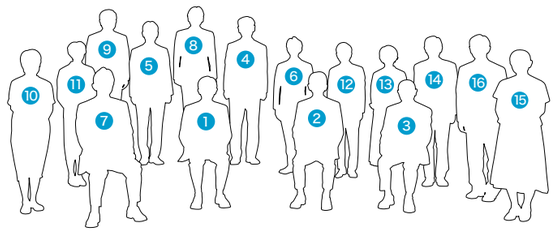
12 Full-time Audit &
Supervisory Board Member
Yoshiharu Hashimoto

13 Full-time Audit &
Supervisory Board Member
Reiko Nakano

14 Outside Audit &
Supervisory Board Member
Kyosuke Wagai

15 Outside Audit &
Supervisory Board Member
Akiko Suzuki

16 Outside Audit &
Supervisory Board Member
Yoshifumi Miyata



Career Summary of Members of the Board and the Audit & Supervisory Board

Members of the Board



Naoyuki Mochida
Representative Director, President

Apr. 1981 Joined the Company
May 1986 Earned an MBA from Indiana University in the U.S.
Apr. 1988 Joined Ajinomoto Co., Inc.
Apr. 1991 Joined the Company
Apr. 1996 General Manager, Head of the Clinical Development Planning Department
Apr. 1997 General Manager, Head of the Finance Department
Jun. 1997 Member of the Board
Jan. 1998 Senior Executive Managing Officer, Head of the Corporate Planning Department
Jan. 1999 Representative Director, President (to the present)
Apr. 2010 Vice-chairman of Mochida Memorial Foundation for Medical and Pharmaceutical Research
Jun. 2016 Chairman of Mochida Memorial Foundation for Medical and Pharmaceutical Research (to the present)



Junichi Sakaki, Ph.D.
Representative Director Senior Executive Managing Officer

Mar. 1993 Joined Ciba-Geigy AG (currently Novartis Pharma K.K.)
Dec. 2006 Joined Banyu Pharmaceutical Co., Ltd. (currently MSD K.K.)
Jul. 2009 Joined the Company
General Manager, Head of Research Planning and Management Department
Apr. 2010 Head of Discovery Research
Jun. 2012 Executive Officer, Deputy Head of Business Development Division
Jun. 2014 Member of the Board, Executive Officer, Business Development
Jun. 2016 Member of the Board, Executive Managing Officer
Oct. 2018 Executive Managing Officer, Business Development and Biomaterials Business
Jun. 2021 Member of the Board, Senior Executive Managing Officer
Jan. 2023 Senior Executive Managing Officer, Business Development and Business Promotion, Supervisor for Biomaterials Business
Jun. 2025 Representative Director, Senior Executive Managing Officer (to the present), Supervisor for Research, Pharmaceutical Development, Business Development, Business Promotion, Biomaterials Business, Pharmaceutical Business, Mochida Pharmaceutical Plant and Mochida Healthcare
Jun. 2026 Supervisor for Research, Biomaterials Business, Pharmaceutical Business, Mochida Pharmaceutical Plant and Mochida Healthcare (to the present)



Motoi Mitsuishi
Representative Director Senior Executive Managing Officer

Apr. 1987 Joined the Mitsubishi Bank, Ltd.
Jul. 2015 Executive Officer, General Manager of Asia & Oceania Sales Division, Singapore Branch Manager at the Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU)
May 2017 Managing Executive Officer, Head of Transaction Banking Group at BTMU
Jun. 2019 Representative Director, Deputy President at Mitsubishi UFJ Research and Consulting Co., Ltd.
Jun. 2020 Outside Corporate Auditor at the Nanto Bank, Ltd.
May 2023 Advisor of the Company
Jun. 2023 Member of the Board, Executive Managing Officer, Planning & Administration and Technonet, Head of Planning & Administration Division
Apr. 2024 Executive Managing Officer, Planning & Administration, Head of Planning & Administration Division
Jun. 2024 Member of the Board, Senior Executive Managing Officer
Jun. 2025 Representative Director, Senior Executive Managing Officer (to the present), Planning & Administration and Audits, Supervisor for RA, QA and PV, Head of Planning & Administration Division
Oct. 2025 Planning & Administration, Strategic Alliance and Audits, Supervisor for RA, QA and PV, Head of Planning & Administration Division
Jun. 2026 Planning & Administration, Strategic Alliance, Legal and Audits, Supervisor for RA, QA and PV (to the present)



Junichi Nezu, Ph.D.
Member of the Board Executive Managing Officer

Apr. 1991 Joined Chugai Pharmaceutical Co., Ltd.
Jul. 2012 Research Head, Chugai Pharmabody Research (Singapore)
Apr. 2020 Executive Officer and General Manager of Research Division at Chugai Pharmaceutical Co., Ltd.
Jul. 2023 Joined the Company
Research Division, Research Supervisor
Aug. 2023 Executive Managing Officer, Research
Jun. 2024 Member of the Board, Executive Managing Officer Research, Supervisor for Development (to the present)



Kenji Miyajima
Member of the Board Executive Managing Officer

Apr. 1990 Joined the Company
Apr. 2017 Head of Hiroshima Branch Office
Apr. 2020 Head of Osaka Branch Office
Apr. 2021 Deputy Head of Pharmaceutical Business Division
Jun. 2021 Executive Officer
Apr. 2022 Head of Pharmaceutical Business Division
Jun. 2025 Member of the Board, Executive Managing Officer (to the present), Pharmaceutical Business
Jun. 2026 Pharmaceutical Business and Mochida Healthcare (to the present)



Takeshi Mochida
Member of the Board Executive Managing Officer

Apr. 1992 Joined Mizuho Trust & Banking Co., Ltd.
Apr. 2009 Joined the Company
Apr. 2015 General Manager, Head of Marketing Department
Jun. 2017 Executive Officer
Oct. 2019 Executive Officer, Deputy Head of Pharmaceutical Business Division
Jun. 2020 Executive Officer, Deputy Head of Clinical Research and Development Division, in charge of Clinical Development Planning and Management and Medical Affairs
Jun. 2026 Member of the Board, Executive Managing Officer, Supervisor for Business Development and Business Promotion (to the present)



Chu Sakata
Member of the Board Corporate Advisor

Apr. 1982 Joined the Mitsubishi Bank, Ltd.
May. 2007 General Manager of Syndicated Finance Division and the Global Head of Syndication at the Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU)
Feb. 2009 Regional Head for the Middle East at BTMU
Jun. 2011 Advisor of the Company
Jun. 2011 Member of the Board, Executive Officer and Assistant Officer, Planning & Administration
Apr. 2012 Executive Officer and Assistant Officer, Planning & Administration, Head of Planning & Administration Division
Jun. 2012 Executive Officer, Planning & Administration, Head of Planning & Administration Division
Jun. 2013 Member of the Board, Executive Managing Officer
Jun. 2016 Representative Director, Senior Executive Managing Officer Supervisor for Planning & Administration, Audits and Corporate Ethics
Jun. 2017 Senior Executive Managing Officer, Assistant to President and Operations in general
Jun. 2021 Representative Director, Senior Executive Vice President
Jun. 2025 Member of the Board, Corporate Advisor (to the present)



Tomoaki Sonoda
Outside Director

Apr. 2004 Certified public accountant (to the present)
Apr. 2006 Professor at Keio University Faculty of Business and Commerce (to the present)
Oct. 2009 Member of Contract Surveillance Committee, Ministry of Internal Affairs and Communications (to the present)
Apr. 2018 Visiting Professor at Musashino University (to the present)
Jan. 2020 Member of Third Bidding Surveillance Commission, Ministry of Finance (to the present)
Jun. 2022 Outside Director of the Company (to the present)
Sep. 2025 Councilor, Keio University (to the present)



Shigeaki Yoshikawa
Outside Director

Apr. 1977 Joined Mitsubishi Corporation
Apr. 2008 Executive Officer, General Manager of Global Strategy & Coordination Department at Mitsubishi Corporation
Apr. 2010 Executive Officer, Chief Regional Officer for the Europe, Middle East and Africa CIS at Mitsubishi Corporation
Apr. 2013 Executive Vice President, Regional CEO, Middle East & Central Asia at Mitsubishi Corporation
Oct. 2016 Executive Vice President at Mitsubishi Research Institute, Inc.
Dec. 2016 Executive Vice President, Representative Director at Mitsubishi Research Institute, Inc.
Jun. 2017 Management Council Member at Fukushima Medical University
Dec. 2020 Full-time Senior Corporate Advisor at Mitsubishi Research Institute, Inc.
Apr. 2021 Visiting Professor in Department of Business Design; Research Fellow at Institute of Current Business Studies, Showa Women's University (to the present)
Jan. 2022 Senior Corporate Adviser at Mitsubishi Research Institute, Inc.
Jun. 2022 Outside Director at Azbil Corporation (to the present)
Jun. 2023 Chairman and Representative Director of The Japan Singapore Association (to the present)
Jun. 2023 Outside Director of the Company (to the present)
May. 2025 Councilor, Showa Women's University (to the present)



Mami Kobayashi
Outside Director

Apr. 1987 Joined Nikkeisha, Inc.
Sep. 1988 Joined The Asahi Shimbun Company
Oct. 1990 Joined McKinsey & Company, Inc.
Dec. 1994 Joined United Technologies Corporation (US)
Oct. 2002 Cultural Affairs Department, Library Director at Mori Building Co., Ltd.
Apr. 2010 Cultural Affairs Department, Library Advisor at Mori Building Co., Ltd.
Jun. 2024 Outside Director of the Company (to the present)



Sanae Tanaka
Outside Director

Apr. 1989 Registered as an attorney-at-law (to the present)
Sep. 1991 Representative at Sanae Tanaka Law Office (to the present)
Mar. 2011 Outside Director at Noevir Holdings Co., Ltd.
Mar. 2015 Outside Director at PILOT CORPORATION
May. 2015 Outside Director at Shochiku Co., Ltd.
Mar. 2023 Outside Audit & Supervisory Board Member at Asahi Group Holdings, Ltd.
Jun. 2023 Outside Director at TV Asahi Holdings Corporation (to the present)
Mar. 2025 Outside Director at Asahi Group Holdings, Ltd. (to the present)
Jun. 2025 Outside Director of the Company (to the present)

Audit & Supervisory Board Members



Yoshiharu Hashimoto
Full-time Audit & Supervisory Board Member

Apr. 1985 Joined the Mitsubishi Bank, Ltd.
Jan. 2009 General Manager of Yotsuya Commercial Banking Office at the Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU)
May 2011 General Manager of Osaka Corporate Banking Division No.2 of Osaka Corporate Banking Group at BTMU
Jun. 2013 Vice President, Head of Business Development Unit at Sharp Corporation
Jun. 2016 Full-time Corporate Auditor at Mitsubishi UFJ Capital Co., Ltd.
Jun. 2017 Joined the Company
Jun. 2017 Full-time Audit & Supervisory Board Member
Jun. 2019 Member of the Board, Executive Officer, Planning & Administration and Technonet, Head of Planning & Administration Division
Jun. 2022 Member of the Board, Executive Managing Officer
Jun. 2023 Full-time Audit & Supervisory Board Member (to the present)



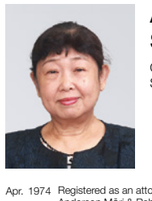
Reiko Nakano
Full-time Audit & Supervisory Board Member

Apr. 1986 Joined the Company
Apr. 2015 General Manager, Head of Intellectual Property Department
Jun. 2018 Executive Officer
Apr. 2022 Executive Officer, Deputy Head of Business Development Division
Jun. 2025 Deputy Head of Business Development Division
Jun. 2026 Full-time Audit & Supervisory Board Member (to the present)



Kyosuke Wagai
Outside Audit & Supervisory Board Member

Oct. 1977 Joined Tohmatsu Aoki & Co
Sep. 1982 Registered as a certified public accountant (to the present)
Jul. 1991 Partner at Deloitte Touche Tohmatsu LLC
Jul. 2010 Executive Board Member of the Japanese Institute of Certified Public Accountants (JICPA)
May. 2016 Retired from Deloitte Touche Tohmatsu LLC
Jun. 2016 Outside Audit & Supervisory Board Member of the Company (to the present)
Jul. 2016 Audit & Supervisory Board Member of JICPA
Jun. 2017 Outside Audit & Supervisory Board Member at Tokyo Electron Limited
Jun. 2017 Representative Director and Chairman at XBRL Japan Inc. (to the present)
Jun. 2023 Auditor of Japan Federation of Shiho-Shoshi Lawyer's Associations (to the present)



Akiko Suzuki
Outside Audit & Supervisory Board Member

Apr. 1974 Registered as an attorney-at-law (to the present) Joined Anderson Mōri & Rabinowitz
Sep. 1990 Joined the Company
Sep. 1998 Joined Tokyo Eiwa Law Office
Sep. 2002 Joined Tokyo Office of Oh-Ebashi LPC & Partners Partner (Member of the LPC)
Jun. 2019 Outside Audit & Supervisory Board Member of the Company (to the present)



Yoshifumi Miyata
Outside Audit & Supervisory Board Member

Apr. 1978 Joined The Dai-ichi Mutual Life Insurance Company
Apr. 2006 Executive Officer and General Manager of Financial Institution Relations Department at the Dai - ichi Mutual Life Insurance Company.
Apr. 2009 Managing Executive Officer of the Dai - ichi Mutual Life Insurance Company
Jun. 2010 Outside Audit & Supervisory Board Member of Tsugami Corporation
Jun. 2012 Representative Director and Vice-President of Trust & Custody Services Bank, Ltd.
Oct. 2018 Outside Director at Wellness Communications Corporation (to the present)
Jun. 2021 Outside Audit & Supervisory Board Member of the Company (to the present)

Main Expertise and Careers of Members of the Board and Audit & Supervisory Board Members

	Position	Name	Attendance at meetings of Board of Directors / Audit & Supervisory Board (shown in right column)		Skills							
					Corporate Management, Sustainability	Research and Development	Business Strategy, Marketing	International Experience	IT	Finance, Accounting	Legal Affairs, Compliance	Certification
Members of the Board	Representative Director, President	Naoyuki Mochida	14/14		●		●	●		●		
	Representative Director, Senior Executive Managing Officer	Junichi Sakaki	14/14		●	●	●	●				Pharmacist
	Representative Director, Senior Executive Managing Officer	Motoi Mitsuishi	14/14		●		●	●	●	●	●	Attorney in the State of New York, U.S.A.
	Member of the Board	Junichi Nezu	14/14			●		●				Pharmacist
	Member of the Board	Kenji Miyajima	12/12				●					
	Member of the Board	Takeshi Mochida	–			●	●			●		
	Member of the Board	Chu Sakata	14/14		●		●	●	●	●	●	
	Outside Director	Tomoaki Sonoda	14/14		●			●		●		Certified public accountant
	Outside Director	Shigeaki Yoshikawa	14/14		●		●	●			●	
	Outside Director	Mami Kobayashi	14/14		●		●	●	●			
	Outside Director	Sanae Tanaka	12/12		●						●	Attorney-at-law
Audit & Supervisory Board Members	Full-time Audit & Supervisory Board Member	Yoshiharu Hashimoto	14/14	17/17			●	●	●	●	●	
	Full-time Audit & Supervisory Board Member	Reiko Nakano	–	–		●	●					
	Outside Audit & Supervisory Board Member	Kyosuke Wagai	14/14	16/17					●	●		Certified public accountant
	Outside Audit & Supervisory Board Member	Akiko Suzuki	14/14	17/17				●			●	Attorney-at-law
	Outside Audit & Supervisory Board Member	Yoshifumi Miyata	14/14	17/17	●			●		●		

Attendance: The difference in the number of meetings is attributable to a difference in time in office.
Skills: The list above does not cover all the experience, knowledge, capabilities, etc. of each member of the Board and Audit & Supervisory Board.

Approach to Skills

The Company selects each skill in consideration of the Group's corporate philosophy, long-term vision, materiality and other factors.
These skills are reviewed as necessary in response to changes in the business environment.

Corporate Management, Sustainability	● Corporate management skills to enable the Board of Directors to appropriately perform functions of management decision making and supervision of business execution toward achieving and realizing the Group's long-term vision, materiality, medium-term management plan, etc. ● Skills for the entire Group to appropriately formulate medium- to long-term management policies and plans, respond to issues related to sustainability, etc.
Research and Development	● R&D skills to grow as a unique life and healthcare group whose raison d'etre is recognized internationally through the "creation of unique products to meet needs," etc.
Business Strategy, Marketing	● Skills in business strategy and marketing in the Group's business domains, etc. to promote the "maximization of product value," etc. toward realizing "Vision for 2031."
International Experience	● Skills in decision-making from a global perspective, overseas business management, etc., in order to be recognized internationally for our raison d'etre.
IT	● Skills related to cutting-edge IT technologies that can promote the "strengthening of our management base to support growth," etc. toward realizing "Vision for 2031."
Finance, Accounting	● Skills related to finance, management accounting, management indicators, tax affairs, financial regulations, etc. necessary to improve shareholder value through continued growth investment, shareholder returns, etc.
Legal Affairs, Compliance	● Skills to ensure the effectiveness of compliance, which the Group emphasizes as a response to social needs based on the Group charter of conduct, in light of changes in the environment. ● Skills related to legal affairs, etc. to make decisions appropriately based on judicial affairs and compliance risks toward realizing "Vision for 2031."

Messages from Outside Directors and Outside Audit & Supervisory Board Members



Sanae Tanaka
Outside Director

Since becoming an Outside Director of Mochida Pharmaceutical in June 2025, I have come to appreciate, through ongoing discussions at meetings of the Board of Directors, the depth of the Company's management and the unique rewards of managing a pharmaceutical company. Mochida Pharmaceutical is implementing growth strategies while combining the various options open to it. These include strengthening its R&D pipeline not only through drug discovery but also through the in-licensing of promising technologies and drug candidates, expanding its business base through capital and business alliances and other means, and extending its business into adjacent fields such as medical devices and healthcare. While continuing to pursue growth, the Company has a deeply rooted corporate culture of never compromising on safety, quality and compliance. I feel that the fact that the Company successfully combines "management that embraces challenges" with "prudent management" at a high level is a major strength of the Company.
Moving forward, I will contribute as an Outside Director to help enhance the quality of key management decisions, such as identifying disease areas where the Company can demonstrate its strengths and allocating management resources strategically to R&D and business activities. I will also oversee the Company's management from an independent standpoint, engage in constructive discussions with the management team from diverse perspectives, support decision-making that will lead to the medium- to long-term enhancement of corporate value, and work to achieve sustainable growth and earn greater trust from society by improving the effectiveness of the Board of Directors.



Kyosuke Wagai
Outside Audit & Supervisory Board Member

My impression of Mochida Pharmaceutical is that it is a "company that calmly takes action."
In the face of the demands of a constantly changing business environment and the need to introduce new systems and frameworks, while I hope for quicker action as an Outside Audit & Supervisory Board Member, Mochida Pharmaceutical does not rush but gives matters careful consideration before implementing them steadily and reliably.
Mochida Pharmaceutical's Board of Directors and Audit & Supervisory Board hold lively and smooth discussions through open communication based on the trust and mutual understanding built up among officers through monthly working lunches and other means. I feel that this provides a basis for balanced and thorough deliberation of all aspects of management, from regular agenda items related to financial results and HR matters that come up every fiscal year through to specific agenda items such as medium- and long-term management plans, sustainability information, and information security.
The main function of Outside Audit & Supervisory Board Members under the Companies Act is to supervise (audit) the execution of duties by Directors, and there is a tendency for them to take a micro perspective, focusing exclusively on pointing out detailed deficiencies and other issues in business operations. However, I have always been, and will continue to be, mindful not to lose sight of the macro perspective and to take a broader, more far-sighted view. This approach, combined with the role of Outside Directors, who are expected to focus primarily on the macro perspective—that is, the medium- to long-term outlook of the Company—while also paying attention to the micro perspective, including near-term risks and HR-related issues, is, in my view, a key element of Mochida Pharmaceutical's approach to governance.
Mochida Pharmaceutical has set out "Vision for 2031" as its medium- to long-term vision, and all employees across the Group are working diligently toward its realization. As an Outside Audit & Supervisory Board Member, I will continue to devote my utmost efforts to playing my part in achieving this vision.

Risk Management

Mochida Pharmaceutical Group has established Risk Management Rules applicable throughout the Group and a Risk Management Committee comprising division heads, subsidiary presidents, and other members. Under these Rules, the Committee identifies potential risks, and the divisions responsible for each risk develop preventive measures and response plans should the risk materialize. Each year, the Group identifies risks that could have a significant adverse impact on its business and management and works to strengthen preventive measures.
The Risk Management Practical Committee conducts the reviews and prepares the recommendations needed for the Risk Management Committee's policy discussions. The Board of Directors receives reports from the Risk Management Committee and oversees risk management by reviewing its implementation and effectiveness.

Major Risks That Could Materially Affect the Group's Business and Financial Performance

Risks	Risk description
Risks associated with research and development	• Suspension or delay of development due to failure to demonstrate initially anticipated efficacy or the emergence of unforeseen adverse drug reactions
Risks associated with production and procurement	• Quality issues caused by manufacturing defects at the Group's plants • Delay or suspension of supply of products or raw materials supplied by specific business partners on which the Group depends
Risks associated with adverse drug reactions	• Product recalls, suspension of manufacturing and marketing, litigation, or compensation for damages due to unforeseen adverse drug reactions
Risks associated with product sales mix	• Launch and growth of competing products or generics for certain mainstay products that account for a high percentage of sales, or suspension of sales or recalls of such products
Risks associated with competition and other sales matters	• Competition with products of other companies, including generics • Inability to collect receivables due to bad debts incurred by wholesalers
Risks associated with business alliances, investments, acquisitions, etc.	• Termination of alliances due to unforeseen circumstances • Sluggish sales or suspension of shipments by investees or acquired companies
Risks related to IP	• Infringement on third-party intellectual property rights
Risks associated with laws, regulations and system reforms	• Tightening of pharmaceutical-related laws and regulations and other regulations, including healthcare system reforms, measures to promote the use of generics and reductions in NHI drug prices • Product recalls, revocation of licenses or approvals, suspension of business operations, other administrative dispositions, or claims for compensation due to noncompliance with such regulations
Risks associated with information management	• Leakage of confidential information, personal information, etc. outside the Company due to unauthorized access to systems, system failures, or other causes
Risks relating to human capital	• Stagnation in the Group's growth due to an inability to secure diverse human resources as a result of intensifying competition for talent, insufficient human resource development, employee turnover, or imbalances in workforce composition in terms of age, skills, and other factors
Risks associated with financial market conditions and exchange rate fluctuations	• Valuation losses or losses on the sale of securities due to deterioration in financial market conditions • Increases in retirement benefit obligations and other liabilities due to interest rate movements • Foreign exchange fluctuations affecting foreign currency-denominated transactions
Risks associated with business continuity	• Product shortages caused by serious impacts or damage, including shutdowns or failures of information systems, to the Group's plants, laboratories, branches, offices, and other sites due to major natural disasters, other disasters, or accidents • Product shortages caused by stagnation of business activities or suspension of plant operations due to the spread of infectious diseases or similar events
Risks associated with overseas expansion	• Stagnation of business activities or delay or cancellation of business development due to the materialization of geopolitical risks, such as changes in legal regulations, changes in economic conditions, and political instability in countries where the Group operates, as well as uncertainty in the business environment
Risks related to environmental issues	• Soil contamination, air pollution, and other environmental impacts caused by chemical substances used in research and manufacturing processes • Risks related to climate change

Reinforcement of Compliance

As measures for reinforcing compliance, which means acting with integrity in response to societal expectations, including compliance with laws and regulations Mochida Pharmaceutical has established the "Code of Conduct of Mochida Pharmaceutical Group." To embody the spirit of the Code, the Company regularly holds meetings of the Ethics and Compliance Committee, chaired by the President and including the Compliance Officer, who is the Director in charge of or supervising corporate ethics, and outside experts, to conduct internal checks and deliberate issues. The Company has also established the Ethics and Compliance Committee Working Group, chaired by the Compliance Officer and comprising division heads, presidents of subsidiaries, and other members, as well as the Corporate Ethics & Compliance Department. Mochida Pharmaceutical Group has developed a compliance framework and regularly provides ethics training to Group officers and employees. The Group will continue striving to ensure thorough compliance and respond promptly to changes in the business environment, while obtaining appropriate advice from attorneys, certified public accountants, and other experts as necessary.

Ethics and Compliance Committee / Ethics and Compliance Committee Working Group

The Ethics and Compliance Committee conducts internal checks and deliberates issues to embody the spirit of the Code of Conduct of Mochida Pharmaceutical Group. The Ethics and Compliance Committee Working Group reviews internal rules and systems for preventing misconduct, raises necessary issues, and reports specific problems. Each member is responsible for compliance with the Code of Conduct in the division under their charge, including education and training, and for preventing inappropriate conduct.

Communication of Messages from the President

The Company produces video news in which the President communicates messages to employees. Each autumn, the video news traditionally features recent cases of compliance violations, including corporate misconduct, and the President personally emphasizes the importance of compliance.

Compliance Training and Awareness-Raising Activities

The Corporate Ethics & Compliance Department provides compliance education, including ethics training upon entry to the Company, upon appointment to managerial positions, and by employee level; company-wide ethics training; ethics training for officers; and ethics training tailored to the characteristics of each division by personnel responsible for corporate ethics within the division. The Group also works to raise compliance awareness by regularly disseminating compliance-related information through the corporate intranet. In addition, training to promote fair competition is provided continuously to the pharmaceutical sales division.

Corporate Ethics and Compliance Helpline

The Group has established a hotline through which officers, employees, and former employees within one year of leaving the Company who become aware of harassment, including human rights violations, or other compliance violations can make reports or seek advice. Reports and consultations may be made to personnel or officers responsible for corporate ethics within the Company, or directly to outside attorneys and other external experts. The Group has also established standards for handling internal reports and operates the system appropriately to ensure that whistleblowers and people seeking advice do not suffer disadvantageous treatment.

Compliance-related Data for fiscal 2025

Number of reports and consultations	33 cases
Measures taken	Action was taken in accordance with the wishes of the whistleblowers, and corrective measures were implemented where necessary.

Initiatives Concerning Life Science and Medical Research Involving Human Subjects

The Company has established the "Ethical Rules on Life Science and Medical Research Involving Human Subjects" to ensure that such research respects human dignity and human rights and is conducted appropriately with the understanding and cooperation of society. In accordance with these rules, the Company has established the Research Ethics Committee.

Ethical Treatment of Laboratory Animals

The Company has established guidelines in accordance with the "Basic Guidelines for the Conduct of Animal Experiments in Implementing Agencies under the Jurisdiction of the Ministry of Health, Labour and Welfare" and gives due consideration to the dignity of animal life and the principles of the 3Rs: Replacement, use of alternative methods; Reduction, reducing the number of animals used; and Refinement, alleviating the suffering of laboratory animals. As an independent third-party inspection and evaluation, the Company undergoes on-site inspections by the Japan Pharmaceutical Information Center (JAPIC) and has obtained accreditation.

4 Sustainability

Basic Sustainability Policy and Promotion Structure

For Mochida Pharmaceutical Group, which contributes to people's health and well-being, sustainability initiatives are closely connected with its business activities and are important in supporting sustainable business operations. Based on this recognition, the Group promotes initiatives across various aspects of its business activities and seeks to enhance corporate value over the medium to long term.
To steadily advance these initiatives, the Group has established its Basic Sustainability Policy with the aim of providing value as a pharmaceutical company and contributing to the realization of a sustainable society.

Basic Sustainability Policy

Mochida Pharmaceutical Group aims to grow as a unique and globally recognized life and healthcare group via meeting medical and healthcare needs in accordance with its corporate philosophy; "Actively contributing to human health and well-being in the field of medicine, continuously committed to the development of innovative products."
From the perspective of sustainably enhancing corporate value, we will strive to provide value as a pharmaceutical company "contributing to human health and well-being" under appropriate corporate governance in accordance with the Code of Conduct of Mochida Pharmaceutical Group. We will also contribute to realizing a sustainable society while making efforts to lessen our impact on the global environment.

To promote sustainability activities throughout the Group, the Group has established the Sustainability Committee, chaired by the officer in charge of planning and administration, as an advisory body to the Representative Director. Based on the above policy, the Committee promotes sustainability initiatives and reports its activities to the Board of Directors at least once a year.

Sustainability Committee (Advisory body to the Representative Director; convened twice a year)

Chair : Officer in charge of planning and administration
Member : Members of the Board and Executive Managing Officers

Matters for Consideration

Climate change measures, supply chains, human rights issues, and employee health and working environments

Major activities

- Preliminary deliberation on policies and strategies, including reviews of materiality and sustainability
- Formulation and promotion of measures to address sustainability issues
- Consideration of individual measures in coordination with relevant departments, divisions, and committees, and implementation of progress management and evaluation

Major matters considered and reported in FY2025

- Consideration of reorganizing certain coordinating committees as subcommittees
- Report on prospects for disclosing FY2025 results against materiality KPIs

Human Capital

Human resources are an important management foundation for achieving sustainable corporate growth, and their value continues to increase. Based on this view, Mochida Pharmaceutical Group identifies "expansion of human capital" as one of the materiality items underpinning its management foundation.
The Group seeks to develop human resources who take on challenges with a spirit of creativity and independence and who drive and accelerate innovation and productivity improvement. To this end, the Group promotes initiatives including organizational culture transformation, strengthening the human resource management system, and facilitating the active participation of diverse human resources, with the aim of enabling each employee to demonstrate their full potential and continuously create value.

Continuous Value Creation

Human resources that take on challenges with a spirit of creativity and independence, driving and accelerating the creation of innovation and productivity improvement.

- Uphold the existing values of fairness and integrity while demonstrating initiative, proactiveness, and a spirit of challenge
- Possess a broad perspective and generate innovation
- Perform successfully in a global environment

Organizational Culture Transformation	Strengthening the Human Resource Management System	Facilitating the Active Participation of Diverse Human Resources
• Foster a culture that encourages challenges • Foster a culture of recognition and praise • Improve psychological safety • Transition to autonomous organizations and human resources	• Optimize workforce planning and personnel allocation • Support employees' career development	• Support the advancement of women • Support employees in balancing work and personal responsibilities

Organizational Culture Transformation

Mochida Pharmaceutical Group is working to foster a culture that encourages challenges so that all employees can demonstrate creativity and initiative, while developing an environment in which employees can grow and fully demonstrate their abilities. Since January 2025, the Group has provided opportunities approximately once a month for employees to interact with one another, with the aim of stimulating communication across departmental boundaries. Through individual interviews with employees, the Group also identifies opinions and requests regarding work and the workplace and responds to consultations concerning concerns and challenges, thereby advancing initiatives aimed at creating an even more rewarding company and workplace. In addition, the Group conducts an annual employee survey to assess employee engagement and other matters. The survey results are used to identify issues at an early stage and to consider and implement measures to improve morale, and are also reflected in management decisions and workplace improvements to further enhance employee engagement.



Cross-departmental communication

Strengthening the Human Resource Management System

Strengthening the Human Resource Management System

Mochida Pharmaceutical Group is strengthening its human resource management system to promote the active participation and vitalization of human resources. In April 2023, the Group revised its personnel system, introducing mechanisms to reflect roles and contributions in compensation and to promote the active participation of diverse human resources. The roles of individual positions were clarified and reorganized, enabling earlier promotion. The Group also reviewed compensation and working conditions for older employees with expertise. While making improvements as issues are identified through operation of the system, the Group continues to strengthen its human resource management framework.

Human Resource Development

Mochida Pharmaceutical Group regards human resource development as an important issue and provides training by rank and job category to develop employees' capabilities and leaders. In rank-based training, new employee and mid-level employee programs improve business knowledge and skills and support better performance. Training for leaders and management candidates develops management and leadership capabilities appropriate to their roles and identifies and develops human resources who can contribute to innovation. Manager training further strengthens basic and organizational capabilities, promotes the sharing of strategic vision, and develops leadership skills.
Job-specific training provides programs designed to acquire specialized knowledge and enhance advanced job execution capabilities in each business unit.
The Group also operates a domestic training program to develop core human resources. Each year, employees selected through internal applications and nominations attend business schools in Japan and pursue further growth through degree programs.
In addition, the Group operates a self-development support system to foster independent employees and a culture of challenge, supporting qualification acquisition, improvement of English and other business skills, and reskilling. Through these education and training programs, the Group seeks to raise the capabilities and skills of individual employees and strengthen the growth and competitiveness of the Group as a whole.

Groupwide Training Structure

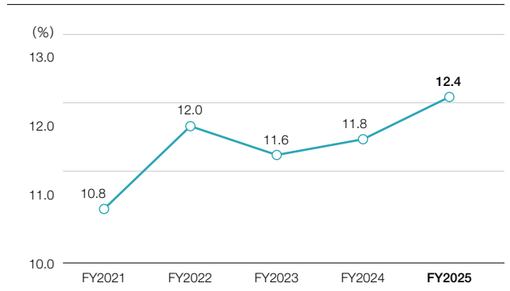
	Tiered training	Job-specific training	Open application	Self-development support
For Managers	Practical training for newly appointed managers Manager basic skills development training Manager organizational capability enhancement training Next-generation executive development training etc.	Business unit-specific training	Domestic training program	Support for qualifications and skills development
For General employees	Training for management candidates Career support training for women Leader development training Mid-level employee training Onboarding training New employee training			

Facilitating the Active Participation of Diverse Human Resources

Women's Participation and Career Advancement in the Workplace

Mochida Pharmaceutical Group actively promotes the recruitment and development of female human resources and their appointment to management positions. Mochida Pharmaceutical has newly set a target ratio of female managers of 20% or higher for FY2026 to FY2030 under its action plan based on the Act on the Promotion of Female Participation and Career Advancement in the Workplace.
To achieve this target, the Group is working on development and mindset reform with the aim of becoming a company where women can play an even more active role, including showcasing female managers as role models, preparing career plans for management candidates, and providing career training for female employees. The Group also considers it important to create an environment in which female employees can remain healthy and thrive, and has introduced an integrated service addressing women's health issues. Through this service, employees can use online consultations and medical services provided by gynecologists. In addition, menstrual pain simulation training is provided to deepen understanding of women's health issues.

Trend in Ratio of Female Managers (Mochida Pharmaceutical only)





Career training for female employees

Promotion of Mid-Career Recruitment

Mochida Pharmaceutical Group recruits human resources with the skills, knowledge and experience it needs, as well as highly skilled professionals required for business expansion, global development, and strategy execution, thereby contributing to increased corporate value. The Group also actively recruits professionals needed in individual businesses and functions and works to secure the human resources required for global expansion.
The ratio of mid-career hires has increased year by year, and many mid-career hires are active across a wide range of departments.

Ratio of mid-career hires	54.8%

(Mochida Pharmaceutical only: FY2025)

Employment of Individuals with Disabilities

Mochida Pharmaceutical Group actively promotes the employment of individuals with disabilities, including establishing Mochida Heartful Service Co., Ltd. in June 2025 as a special subsidiary under the Act on the Promotion of Employment of Persons with Disabilities. Employees with disabilities are active in various departments, including the special subsidiary, together with their supporters.

Employment rate of individuals with disabilities (statutory employment rate: 2.5%)	2.57%

(Mochida Pharmaceutical Group: as of June 1, 2025)

Employment of Older Persons

With the mandatory retirement age set at 60, Mochida Pharmaceutical Group has introduced a system under which, in principle, all employees who wish to continue working after retirement are reemployed until age 65. In FY2020, the Group revised compensation in response to enforcement of the Part-Time and Fixed-Term Employment Act, and in FY2023 established a management track, among other measures, to enable older employees to work with even greater motivation. In addition, life plan seminars are provided to employees aged 53 as an opportunity to review their future plans, including their careers and asset management, thereby supporting diverse work styles.

Diverse Work Styles

Mochida Pharmaceutical Group continuously works to promote work-life balance and realize diverse and flexible work styles. The Group has developed an environment in which employees can work efficiently while maintaining high motivation through measures including compliance with work style reform-related laws, such as limits on overtime work and management of working hours for managers and supervisors; promoting the use of flextime and extending its application to field-based employees; expanding hourly paid leave; operating a discretionary work system; broadening the scope of telework; and developing and enhancing communication tools. At the Head Office building, the Group has also created a more comfortable office environment through measures such as the introduction of digital technologies, with the aim of improving productivity.

Child Care and Nursing Care Support

Mochida Pharmaceutical Group is working to create an environment that supports employees in balancing work with childcare and nursing care. Initiatives include partially paid childcare leave, nursing care leave exceeding statutory requirements, reduced working hours for childcare together with flextime, telework, expanding the age range of children eligible for child nursing and related leave, and revisions to childcare leave rules as a measure to prevent maternity harassment.

The Group has also prepared the Mochida Pharmaceutical Group Childcare Support Manual and the Work and Caregiving Balance Support Manual and promotes their use by informing employees about available support, including its relationship with social insurance.

Under the general employer action plan based on the Act on the Promotion of Female Participation and Career Advancement in the Workplace, Mochida Pharmaceutical has set a target childcare leave uptake rate of 100% for both men and women for FY2026 to FY2030. The Group promotes childcare leave uptake by disseminating the Childcare Support Manual and, in particular, encouraging male employees to use childcare-related systems.

Ratio of employees who took childcare leave	**Male**	87.5%
	Female	100%

(Mochida Pharmaceutical only: FY2025)

Mochida Pharmaceutical Co., Ltd., Mochida Healthcare Co., Ltd., and Mochida Pharmaceutical Plant Co., Ltd. have been certified by the Minister of Health, Labour and Welfare as meeting the standards prescribed under the Act on Advancement of Measures to Support Raising Next-Generation Children and have received the “Kurumin” certification mark.

Employee Health Management and Promotion, and Occupational Safety and Health

The mental and physical health of employees is essential for human resources to thrive. To maintain and improve employees’ physical health, the Group conducts annual regular health examinations. Employees with findings requiring attention receive follow-up as necessary in coordination with occupational physicians and health examination institutions. In cooperation with the Mochida Health Insurance Society, the Group also began using a smartphone health management application in June 2026 to support the health of employees and their families and promote day-to-day health management. In July 2026, the Group held a disease awareness seminar for employees as part of ongoing activities to improve health awareness and disease literacy.

To maintain and improve employees’ mental health, the Group enhances support systems based on the Ministry of Health, Labour and Welfare’s Guidelines for Maintaining and Improving Workers’ Mental Health, from the perspectives of self-care, line care, care by occupational health staff within the workplace, and care using external resources. Stress checks are conducted annually to assess mental health.

In addition, the Group has established a Groupwide health and safety management and promotion system to create workplaces where employees can work with peace of mind. Each business site holds health and safety committee meetings and works to prevent occupational accidents and ensure workplace health and safety.

Regular health examination participation rate	100%
Stress check participation rate	95.9%

(Mochida Pharmaceutical only: FY2025)

Environment

Basic Environmental Policy

Global environmental issues, including climate change, affect people’s health and the sustainability of society, and the importance of addressing them is increasing. As these issues may also affect the continuity of the Group’s business, ongoing action is essential. Based on the Code of Conduct of Mochida Pharmaceutical Group and the Basic Sustainability Policy, the Group has established a Basic Environmental Policy to promote business activities that take their impact on the global environment into consideration. Based on this policy, the Group works to reduce the environmental impact of its business activities.

Basic Environmental Policy

As a life and healthcare group, Mochida Pharmaceutical Group is committed to action to address climate change countermeasures, the effective use of resources, the protection of biodiversity and so on, develops business activities with due consideration for the environmental impact into consideration, and endeavors to contribute to the realization of a sustainable society.

Promotion of Environmental Activities

Mochida Pharmaceutical Group has established an Environmental Measures Subcommittee, chaired by the General Manager of the General Affairs Department. The subcommittee formulates medium- to long-term environmental action plans, implements energy-saving measures, promotes and monitors environmental conservation activities such as CO_2 emission reductions, and makes recommendations to management. It also establishes training schedules and continuously conducts environmental education and awareness-raising activities.

The Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd., the Group’s production base, obtained ISO 14001 environmental management system certification in 2002 as a framework for continuously improving environmental performance and continues to promote environmental conservation activities.



ISO 14001 renewal audit certificate


Waste management training (Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd.)

Information Disclosure Based on the TCFD Recommendations

In June 2023, Mochida Pharmaceutical Group declared its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)* and has been evaluating and managing climate-related risks and opportunities in order to make disclosures in accordance with the TCFD recommendations. The Group will continue to enhance related disclosures.

* Dissolved in October 2023 and integrated into the ISSB (International Sustainability Standards Board).

Governance

Climate-related initiatives are promoted under the Sustainability Committee, an advisory body to the Representative Director that oversees sustainability activities across Mochida Pharmaceutical Group. The Environmental Measures Subcommittee considers responses to environmental issues, while the Risk Management Committee maintains a framework for managing major risks related to overall Group management, including climate change risks. The Sustainability Committee and Risk Management Committee coordinate in addressing climate-related issues.

These activities are reported to the Board of Directors at least once a year and discussed with a view to improving activities.



Strategy

Using the 1.5°C scenario and the 4°C scenario to assess the impact of climate change on its business, Mochida Pharmaceutical Group identified climate-related risks and opportunities. For the 1.5°C decarbonization scenario, the Group referred to the IPCC's SSP1-1.9, a scenario in which warming is limited to 1.5°C under sustainable development. For the 4°C warming scenario, it referred to SSP5-8.5, a maximum-emissions scenario without climate policies under fossil fuel-driven development. The identified risks and opportunities were analyzed in consideration of the degree of financial impact and frequency of occurrence, and countermeasures were examined.

Risk Management

Mochida Pharmaceutical Group has established Risk Management Rules applicable to the Group and a framework for managing risks related to overall business management, with climate change managed as one of its major risks. The Risk Management Committee deliberates and supervises preventive measures and response measures formulated by the departments responsible for each major risk. These activities are reported to the Board of Directors at least once a year and discussed with a view to improving activities.

Risks

Scenario	Category	Events	Details	Timeframe*1	Measures	Degree of Impact*2
1.5℃	Transition risks	Tightening of decarbonization-related policies, laws and regulations	Increased burden of carbon taxes	Medium term to long term	・Active rollout of energy conservation measures ・Upgrading to high-efficiency, energy-saving equipment ・Adoption of renewable energy	Minor
			Increased investment costs associated with the installation of equipment in response to decarbonization-related policies	Medium term to long term	・Systematic upgrading to high-efficiency, energy-saving equipment on equipment renewal	Minor
4℃	Physical risks (Acute)	Increase in severity and frequency of weather-related disasters	Suspension of operation due to typhoons, heavy rain and other disasters	Short term to long term	・Formulate specific action guidelines (BCP) for disasters ・Ensuring diversified procurement sources ・Appropriate inventory control	Moderate
		Rise in seawater temperature	Restriction of shipping due to shortage of fish oil, a raw material for EPA formulation, resulting from a decrease in fish catch	Medium term to long term	・Appropriate inventory control ・Use of alternative raw materials	Minor
	Physical risks (chronic)	Temperature rise	Increased energy costs associated with air-conditioning	Medium term to long term	・Active rollout of energy conservation measures ・Upgrading to high-efficiency, energy-saving equipment	Minor
		Water shortages	Depletion of water resources	Medium term to long term	・Implementation of assessments of stability of water supply and drought at existing sites ・Appropriate inventory control	Minor

Opportunities

Scenario	Category	Events	Details	Timeframe*1
1.5℃	Reputation	Enhancing corporate value	Achievement of higher levels of customer trust and improved ratings from ESG investors through our climate change initiatives	Short term to long term
4℃	Market	Changing disease trends	Growing demand for pharmaceuticals to treat specific diseases such as infectious diseases associated with rising temperatures	Short term to long term

*1 "Short-term": 0-1 year, "Medium-term": 1-5 years, "Long-term": 5-30 years
*2 "Minor": 10 billion yen or less, "Moderate": between 10 billion yen and 20 billion yen, "Major": 20 billion yen or more

Metrics and Targets

Toward achieving carbon neutrality by 2050, Mochida Pharmaceutical Group has set a target of reducing CO_2 emissions by 46% from the FY2013 level by FY2030. The reduction target covers Scope 1, Scope 2, and commercial fleet.

CO_2 Emissions Subject to Reduction Targets

(t-CO_2)

Items	FY2013	FY2025 (vs FY2013)
CO_2 emissions	17,900	11,353 (down 36.6%)
Scope 1	4,964	4,256
Scope 2	10,015	5,325
Commercial fleet	2,920	1,772

CO_2 Emissions (Scope 3)

(t-CO_2)

	FY2023	FY2024	FY2025
Scope 3	186,435	168,976	197,311

Initiatives to Reduce Environmental Impact

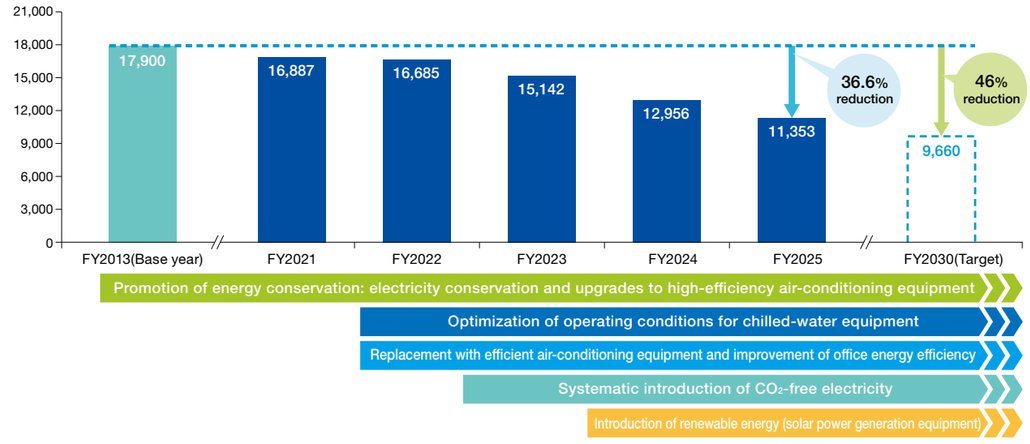
CO_2 Emission Reduction Initiatives

Toward achieving carbon neutrality by 2050, Mochida Pharmaceutical Group is working Groupwide to reduce CO_2 emissions by improving energy efficiency and taking other measures.
The Head Office building, which began operations in September 2022, has received the highest five-star rating under the Building-Housing Energy-efficiency Labeling System (BELS) and ZEB Ready certification based on energy-saving designs for air conditioning and lighting.
The Group is also introducing hybrid and electric vehicles for its commercial fleet. At each business site, it is working to reduce Groupwide CO_2 emissions through measures including upgrading to efficient air-conditioning equipment and systematically introducing CO_2-free electricity.
At the Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd., high-efficiency centrifugal chillers were installed between April 2022 and February 2024. At the Fujieda Site, operation of an on-site solar PPA* began in February 2025.

* PPA (Power Purchase Agreement): A service under which a power generation company installs solar power generation equipment on a customer's premises and supplies the generated electricity to the customer.

Trends in CO_2 Emissions and Major Reduction Measures

($t\text{-}CO_2$)



Sites covered: Head Office, Gotemba site, Fujieda site and every other business site of Mochida Pharmaceutical Co., Ltd., Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd., and Saitama Plant of Mochida Pharmaceutical Plant Co., Ltd.

CO_2 emissions: Total amount of energy-related CO_2 emissions from fuel and electricity consumption



Solar power generation (Fujieda Site; introduced in February 2025)

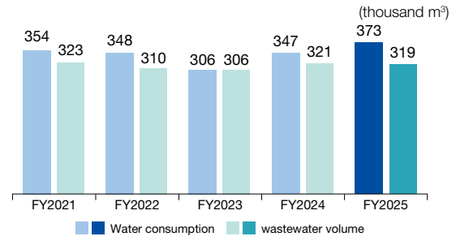


Centrifugal chillers (Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd.; upgraded from April 2022 to February 2024)

Water Resources and Water Quality

High-quality water is essential to Mochida Pharmaceutical Group's business activities, particularly research, development, and manufacturing. The Group has long sought to comply with laws and regulations and standards agreed with local governments, use water resources efficiently, and manage wastewater appropriately. To prevent soil contamination caused by water leakage, above-ground piping is used at the Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd. The Group will continue to manage water use and wastewater volumes and make effective use of finite resources in order to sustain its business.

Trends in Water Consumption and Wastewater Volume



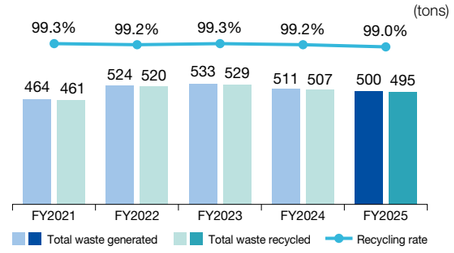
Sites covered: Head Office, Gotemba site, Fujieda site and every other business site of Mochida Pharmaceutical Co., Ltd., Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd., and Saitama Plant of Mochida Pharmaceutical Plant Co., Ltd.*
Water consumption: Total volume of groundwater extracted and water purchased from public water supply

* Data from April 2021 to September 2022 excludes Head Office of Mochida Pharmaceutical Co., Ltd.

Reduction and Recycling of Waste

Mochida Pharmaceutical Group works to reduce and recycle waste generated through its business activities. By promoting the 3Rs—Reduce (reducing waste generation), Reuse (using items again), and Recycle (recycling resources)—the Group seeks to use resources effectively and reduce environmental impact.
The Group will continue working toward its FY2030 targets of limiting waste generation to 582 tons or less, maintaining a waste recycling rate of at least 98%, and maintaining a waste plastic recycling rate of at least 65%.

Trends in Waste Generated and Recycling Rate



Sites covered: Head Office, Gotemba site, Fujieda site and every other business site of Mochida Pharmaceutical Co., Ltd., Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd., and Saitama Plant of Mochida Pharmaceutical Plant Co., Ltd.*
Total waste recycled: Total amount of waste generated that was reused, materially recycled, or thermally recycled (including heat recovery and residue use)

* Data from April 2021 to September 2022 excludes Head Office of Mochida Pharmaceutical Co., Ltd.

Prevention of Air Pollution

To prevent air pollution, Mochida Pharmaceutical Group completed the switch from heavy oil to LNG and city gas as fuels in FY2019. As a result, emissions of soot and dust, nitrogen oxides, and sulfur oxides were reduced to zero. The Group will continue to comply with laws and regulations and standards agreed with local governments and strive to reduce environmental impact.

Proper Management of Chemical Substances

At the Gotemba Site, Fujieda Site, Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd., and Saitama Plant, chemical substances required for the development and manufacture of pharmaceutical and healthcare products are used and managed appropriately, with full recognition of their potential effects on human health and ecosystems.

Society

The roles expected of companies are expanding across diverse areas, including respect for human rights, the development of responsible supply chains, and coexistence with local communities. As a company that contributes to people's health and well-being, Mochida Pharmaceutical Group regards addressing social issues through its business activities as an important corporate responsibility. While valuing relationships with diverse stakeholders, including patients, healthcare professionals, business partners, and local communities, the Group promotes responsible business activities and strives to create social value.
Through these initiatives, the Group will contribute to the realization of a sustainable society while pursuing sustainable growth and the enhancement of corporate value over the medium to long term.

Respect for Human Rights

Human Rights Policy

Respect for Human Rights / Human Rights Policy
To further strengthen efforts to prevent and mitigate human rights risks, Mochida Pharmaceutical Group established its Human Rights Policy based on the Code of Conduct of Mochida Pharmaceutical Group. The Group complies with all applicable human rights laws and regulations and, in accordance with international norms,* advances human rights due diligence and the establishment of grievance mechanisms while working to protect and respect human rights. The Human Rights Policy also clarifies the Group's approach regarding the scope of application, dialogue and consultation, education and training, and information disclosure. Please refer to the Group's website for details.

■ **Human Rights Policy**
https://www.mochida.co.jp/english/sustainability/society/humanrights/index.html

* The International Bill of Human Rights (the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights), the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and others.

Promotion Structure

Under the officer in charge of corporate ethics, Mochida Pharmaceutical Group designates the Corporate Ethics Department as the department responsible for human rights initiatives and promotes efforts to respect human rights in cooperation with related departments, including the Corporate Planning Department and Human Resources Department, and the Sustainability Committee.

Human Rights Due Diligence

In FY2023, Mochida Pharmaceutical Group initiated human rights due diligence, assessed human rights risks, and identified major human rights risks. The Group is taking measures to prevent and mitigate the identified risks and will continue to make improvements.

Workplace Initiatives

Mochida Pharmaceutical Group stipulates in its Employee Behavior Standards that employees must respect one another's human rights and must not engage in unfair discrimination, sexual harassment, power harassment, or similar conduct. Human Rights Awareness Promotion Committee members are assigned to each division, and the Group continuously conducts human rights awareness activities, including annual human rights training for all employees and measures to prevent harassment. Each year, employees and their families are also invited to submit human rights awareness slogans, providing an opportunity to reflect on human rights issues as matters close to them. The Group has also established a Workplace Harassment and Relationships Consultation Service for various harassment and interpersonal concerns, with consultations handled by dedicated internal staff as well as an external consultation service.

Sustainable Procurement

Sustainable Procurement Policy

Mochida Pharmaceutical Group has established a Sustainable Procurement Policy to promote procurement throughout the supply chain that complies with laws and regulations, is fair, and takes human rights and the environment into consideration. To fulfill corporate social responsibility throughout the supply chain, including business partners, the Group communicates its policy to business partners and asks for their understanding and implementation. The Group also works throughout the supply chain, including business partners, to prevent disruptions to business and serious impacts on society arising from problems.

Sustainable Procurement Policy

1. Equitable and Fair Transactions
   We will select business partners based on an equitable and fair assessment from various perspectives including quality, delivery time, capacity for stable supply, technical expertise, reliability and price. We will build positive relationships of trust with business partners that are based on mutual understanding and are aimed at supporting each other's sustainable development.
2. Compliance with Laws and Societal Norms We will comply with the laws and regulations of each country, and conduct ourselves with high ethical standards and in accordance with socially accepted norms.
3. Consideration for the Environment
   We will endeavor to realize a sustainable society by integrating consideration for environmental impact into our procurement activities.
4. Respecting Human Rights
   We will strive to build a decent society by integrating respect for human rights into our procurement activities.

Sustainable Procurement Guidelines

Mochida Pharmaceutical Group has established the Sustainable Procurement Guidelines to build fair and transparent relationships with business partners and distributes the guidelines to them. The guidelines set out matters the Group considers important and expects business partners to address. Please refer to the Group's website for details.

■ **Sustainable Procurement Guidelines**
https://www.mochida.co.jp/english/sustainability/society/procurement/index.html

Surveys on Sustainability

Mochida Pharmaceutical Group conducted a survey to ascertain the status of sustainability initiatives among its business partners, which are important partners of the Group.

Survey overview (FY2025)

Purpose	To understand the status of procurement taking sustainability into consideration throughout the supply chain
Method	Survey request by email through a survey system, with responses submitted online
Target	Some business partners that are important partners of Mochida Pharmaceutical Group
Number of questions	35
Question themes	Corporate governance; Human rights and labor; Environment; Fair corporate activities; Information security Quality and safety; Coexistence with local communities
Survey period	From October 17, 2025, 5:00 p.m. to January 28, 2026, 5:00 p.m. (Japan time)

Results

Variations were observed in initiatives such as the establishment of systems related to the environment and corporate governance.

Future policies

The Group will provide responding business partners with feedback on aggregated results for each question so that they can understand their relative level and encourage improvements. By working together to address issues, the Group will promote sustainable procurement together with its business partners.

Promoting Social Understanding of Health and Disease

Supporting Women's Health

Mochida Pharmaceutical Group is working, as a pharmaceutical company, to "support the different stages of a woman's life." In 2024, the Group established the Disease Awareness Office which works to promote understanding of health and disease by disseminating accurate information on women's health.
In addition to disseminating information through social media and holding exhibition events in Tokyo, the Group provides outreach lectures for female university students, offering opportunities and information to help women take a more active interest in their own health.
The "Link" website also provides accurate information on diseases specific to women and information on the Group's disease awareness initiatives.

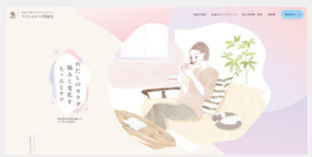


Outreach lecture for female university students

■ **Link: Connecting to the Future, Being Myself**
https://www.mochida.co.jp/link/



■ **Proper Care for Women's Concerns: My Body Consultation Room**
https://www.mochida.co.jp/woman/



Promoting Understanding of Inflammatory Bowel Disease

Mochida Pharmaceutical Group and Eli Lilly Japan K.K. jointly conduct the project "Toward a Society Where We Can Talk About Living with Inflammatory Bowel Disease." Inflammatory bowel disease is a collective term for diseases involving chronic inflammation of the gastrointestinal tract, with ulcerative colitis and Crohn's disease being representative conditions. The project aims to promote social understanding of these diseases and create an environment that supports patients. The dedicated website provides basic information on ulcerative colitis and Crohn's disease as well as information on fecal urgency, a sudden and intense need to have a bowel movement, which patients identify as the symptom they most want to improve.

■ **Special site: Toward a Society Where We Can Talk About Living with Inflammatory Bowel Disease**
https://www.mochida.co.jp/withibd/



Interaction with and Contribution to Society

Factory Tours and Corporate Visits

Mochida Pharmaceutical Plant accepts student tours and practical training to deepen understanding of the characteristics and role of pharmaceutical plants. At Mochida Pharmaceutical's Head Office, the Group also hosts off-campus learning programs for junior high and high school students interested in healthcare and pharmaceuticals and introduces them to the contribution of pharmaceutical companies to healthcare and the process of new drug development. Through these activities, the Group provides students with opportunities to deepen their understanding of and interest in healthcare and pharmaceuticals and to consider their future education and careers.



Company visit at Head Office

Blood Donation Activities

Every year, Mochida Pharmaceutical Group supports the Japanese Red Cross Society's blood donation campaigns. In FY2025, blood drives were held twice at the Gotemba Site, twice at the Fujieda Site, and once at Mochida Pharmaceutical Plant Co., Ltd.

Coexistence with Local Communities

Mochida Pharmaceutical Group actively promotes communication with local communities and environmental beautification activities at each business location. In addition to regular cleaning of areas surrounding its sites by employees, the Group strives to coexist with local communities by participating in various activities conducted in those communities.

• Gotemba Site Initiatives (Gotemba, Shizuoka Prefecture)

Every year, the Gotemba Site participates in cleanup activities organized by the Gotemba City Water Quality Preservation Council during Environment Month in June and cleans roads around the site. The site also participates in the council's annual juvenile amago salmon release event held in October.

• Fujieda Site Initiatives (Fujieda, Shizuoka Prefecture)

Located adjacent to the Oi River, a Class A river, the Fujieda Site participates in river beautification activities, including weeding and litter collection on the riverbank near the site, in connection with Environment Month in June and River Conservation Month in July.

• Mochida Pharmaceutical Plant Co., Ltd. Initiatives (Ohtawara, Tochigi Prefecture)

The Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd. regards communication with the local community as an important environmental conservation initiative and regularly reports trends in the water quality of rivers and groundwater around the plant and its environmental conservation initiatives to the local government, Ohtawara City, and representatives of local residents. In FY2025, a reporting meeting was held at the plant in November.

• Forest Restoration Activities

To commemorate the 100th anniversary of its founding, Mochida Pharmaceutical Group has participated in Kanagawa Prefecture's forest revitalization partner program since 2013. The Group leases part of a forest in Kanagawa Prefecture, named Mochida Memorial Forest, where employee volunteers conduct forest development activities including thinning, pruning, and clearing undergrowth. The Group will continue working to revitalize the forest and pass the benefits of forests on to the next generation.



Releasing juvenile amago salmon



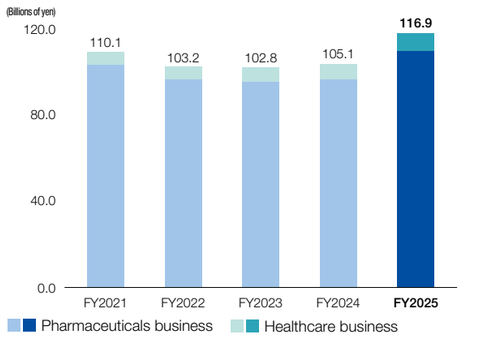
River beautification activities

5 Corporate Information

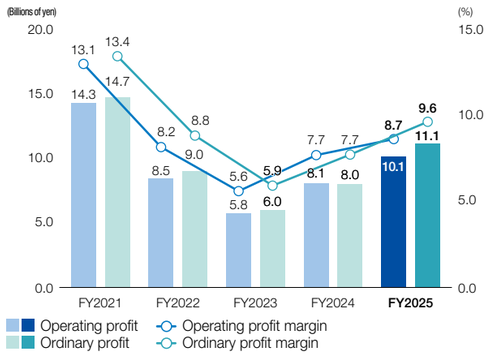
Financial and Non-Financial Highlights

Financial Data (consolidated)

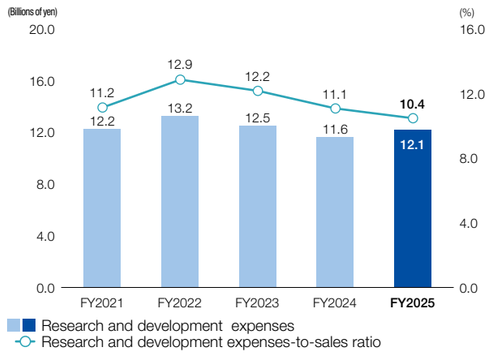
Net sales



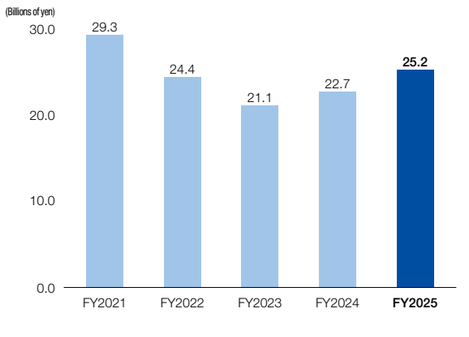
Operating profit, Operating profit margin, Ordinary profit, Ordinary profit margin



Research and development expenses, Research and development expenses-to-sales ratio



EBITDA + Research and development expenses



Profit attributable to owners of parent, Basic earnings per share

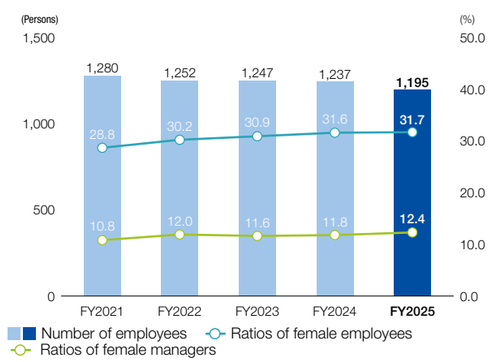
Cash Flows

Total assets, Net assets, Equity-to-asset ratio

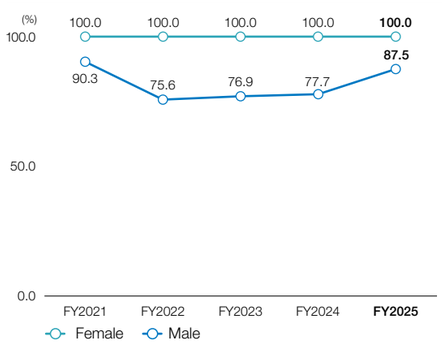
Dividend per share, Payout ratio

Human Resources (non-consolidated)

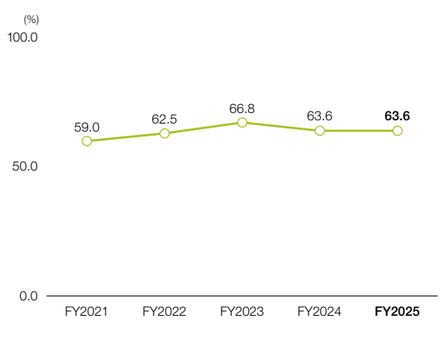
Number of employees, Ratio of female employees, Ratio of female managers



Ratio of employees who took childcare leave

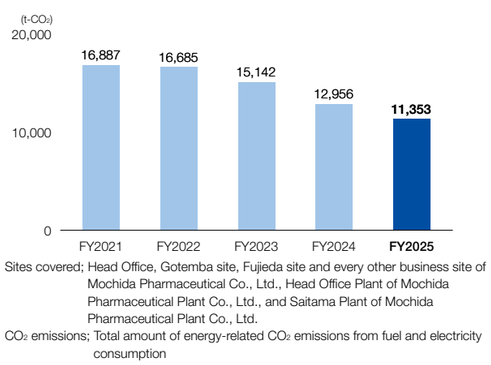


Ratio of employees who took paid leave



Environment

Trends of CO_2 Emissions



Sites covered; Head Office, Gotemba site, Fujieda site and every other business site of Mochida Pharmaceutical Co., Ltd., Head Office Plant of Mochida Pharmaceutical Plant Co., Ltd., and Saitama Plant of Mochida Pharmaceutical Plant Co., Ltd.
CO_2 emissions; Total amount of energy-related CO_2 emissions from fuel and electricity consumption

10-Year Consolidated Financial Summary

	FY2016	FY2017*3	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
For the fiscal year (Millions of yen)										
Net sales	97,349	106,761	109,643	101,799	102,995	110,179	103,261	102,885	105,159	**116,951**
Cost of sales	41,043	53,182	55,477	49,882	48,203	50,626	48,146	50,815	51,371	**60,690**
Selling, general and administrative expenses	44,936	41,904	43,584	43,112	42,788	45,161	46,607	46,267	45,661	**46,113**
Research and development expenses	15,226	11,912	13,003	11,884	10,849	12,295	13,283	12,554	11,676	**12,157**
Operating profit	11,374	11,662	10,590	8,807	12,003	14,392	8,507	5,802	8,126	**10,147**
Ordinary profit	11,648	12,008	10,928	9,154	12,260	14,799	9,085	6,037	8,067	**11,195**
Profit attributable to owners of parent	8,526	9,023	8,435	4,598	8,587	10,569	6,649	4,547	5,685	**7,903**
Comprehensive income	9,686	11,257	11,467	873	11,412	7,619	5,001	7,567	5,567	**12,401**
Net cash provided by (used in) operating activities	5,583	3,283	12,565	9,347	9,198	7,459	7,297	−7,480	9,354	**−7,350**
Net cash provided by (used in) investing activities	−1,835	−426	−1,121	−1,760	−880	−2,007	−2,949	74	17,355	**−16,848**
Net cash provided by (used in) financing activities	−3,291	−3,483	−6,094	−5,328	−5,112	−5,956	−6,884	−6,393	−2,865	**7,033**
Cash and cash equivalents at end of year	30,808	30,182	35,532	37,791	40,987	40,515	38,010	24,290	48,151	**31,058**
Capital expenditures	1,060	1,001	1,299	1,889	1,335	2,806	2,105	2,315	1,609	**1,812**
Depreciation	2,734	2,618	2,917	2,731	2,742	2,689	2,672	2,808	2,940	**2,979**
End of the fiscal year (Millions of yen)										
Total assets	148,372	155,047	159,019	157,488	161,791	163,139	158,831	158,800	160,121	**182,720**
Net assets	111,869	119,687	125,110	120,665	126,974	128,646	126,775	127,967	130,694	**140,326**
Per-Share Information*1 (Yen)										
Net assets (BPS)	2,817.36	3,014.53	3,189.15	3,113.69	3,317.92	3,424.21	3,470.18	3,609.64	3,686.69	**3,958.46**
Net income (EPS)	214.73	227.27	212.87	117.56	222.29	277.39	178.93	126.80	160.36	**222.96**
Dividends	77.50	85.00	85.00	80.00	90.00	90.00	80.00	80.00	80.00	**80**
Financial Indicators										
EBITDA*2 + Research and development expenses (Billions of yen)	29.3	26.1	26.5	23.4	25.5	29.3	24.4	21.1	22.7	**25.2**
Ratio of operating profit to net sales (%)	11.7	10.9	9.7	8.7	11.7	13.1	8.2	5.6	7.7	**8.7**
Ratio of research and development expenses to net sales (%)	15.6	11.2	11.9	11.7	10.5	11.2	12.9	12.2	11.1	**10.4**
Equity-to-asset ratio (%)	75.4	77.2	78.7	76.6	78.5	78.9	79.8	80.6	81.6	**76.8**
Return on equity (ROE) (%)	7.9	7.8	6.9	3.7	6.9	8.3	5.2	3.6	4.4	**5.8**
Payout ratio (%)	36.1	37.4	39.9	68.1	40.5	32.4	44.7	63.1	49.9	**35.9**
Price to earnings ratio (PER) (times)	19.2	16.5	26.7	35.5	19.3	13.5	18.7	25.4	19.8	**15.5**
Number of employees (Average number of part-time employees) (Persons)	1,713 (418)	1,666 (420)	1,617 (448)	1,581 (482)	1,558 (504)	1,544 (503)	1,529 (515)	1,522 (495)	1,508 (491)	**1,479 (487)**

*1 The Company also conducted a two-for-one share split of its common shares on April 1, 2019. Per-share information is calculated on the assumption that the share consolidation and share split were conducted on April 1, 2016.
*2 EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization
*3 From April 1, 2018, our company has applied the "Partial Amendments to Accounting Standards for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018). The relevant accounting standards have been applied retroactively to the main management indicators for fiscal 2017.

Corporate Data

Mochida Pharmaceutical Co., Ltd.

Founded: April 16, 1913
Incorporated: April 28, 1945
Representative: Naoyuki Mochida, President
Main Business: Sale, import and export of pharmaceuticals, etc.
Paid-in Capital: ¥7,229 million
Head Office: 7, Yotsuya 1-chome, Shinjuku-ku, Tokyo 160-8515, Japan
TEL +81-3-3358-7211
Number of Employees: 1,195 (Consolidated 1,479)
(As of March 31, 2026)

Sites and Research Laboratories

Branch Offices
Sapporo, Sendai, Kanto Koshinetsu, Metropolitan, Chubu, Kansai, Hiroshima, Fukuoka

Other Operating Sites
Asahikawa, Hakodate, Aomori, Morioka, Akita, Koriyama, Takasaki, Utsunomiya, Mito, Tsuchiura, Niigata, Matsumoto, Kofu, Kawagoe, Tama, Chiba, Matsudo, Yokohama, Atsugi, Shizuoka, Hamamatsu, Hokuriku, Kyoto, Osaka-kita, Sakai, Kobe, Yonago, Okayama, Yamaguchi, Takamatsu, Matsuyama, Tokushima, Kochi, Kitakyushu, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima, Okinawa

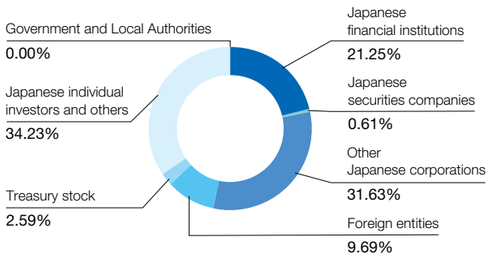
Research Laboratories
Drug Discovery Research Center (Gotemba), CMC Research Center (Fujieda)

Share Information (As of March 31, 2026)

Current Share Status

Total number of authorized shares
120,000,000 shares
Total number of shares issued and outstanding
36,390,000 shares
Number of shareholders 6,687

Distribution by Type of Shareholder



Major Shareholders (top 10)

Name of Shareholder	Number of Shares Held (thousand)	Percentage of Shares Held (excluding treasury shares)
Mochida Memorial Foundation for Medical and Pharmaceutical Research	5,688	16.05
The Master Trust Bank of Japan, Ltd. (Trust account)	2,981	8.41
Princess Takamatsu Cancer Research Fund	1,683	4.75
MUFG Bank, Ltd.	1,586	4.48
Mizuho Trust & Banking Co., Ltd., Retirement Benefit Trust (Mizuho Bank Account) Re-trust Trustee: Custody Bank of Japan, Ltd.	1,434	4.05
Nissui Corporation	1,200	3.39
Naoyuki Mochida	1,023	2.89
Takeshi Mochida	949	2.68
Kazue Mochida	787	2.22
Taisho Pharmaceutical Holdings Co., Ltd.	785	2.21

(Note) The Company holds 940 thousand shares of treasury stock, not included in the above.

Group Companies

Mochida Pharmaceutical Plant Co., Ltd.

Operations Commenced: April 1, 2005
Representative: Tadashi Morikawa, President
Main Business: Manufacture of pharmaceuticals and healthcare products
Paid-in Capital: ¥500 million (wholly owned by Mochida Pharmaceutical)
Head Office Plant: 431, Nakadawara, Ohtawara City, Tochigi 324-0062, Japan
TEL +81-287-24-1111
Sites: Saitama Plant, Tokyo Site

Mochida Healthcare Co., Ltd.

Operations Commenced: April 1, 2004
Representative: Shinji Akita, President
Main Business: Sale of healthcare products
Paid-in Capital: ¥100 million (wholly owned by Mochida Pharmaceutical)
Head Office: PAXXS Bldg., 2-12 Ichigayahonmuracho, Shinjuku-ku, Tokyo 162-8451, Japan
TEL +81-3-5229-3940
Sites: Sapporo Sales Office, Sendai Sales Office, Yokohama Sales Office, Nagoya Sales Office, Osaka Sales Office, Hiroshima Sales Office, Fukuoka Sales Office, Saitama Site

Mochida Pharmaceutical Sales Co., Ltd.

Operations Commenced: June 2, 2014
Representative: Satoshi Ishii, President
Main Business: Sale of pharmaceuticals
Paid-in Capital: ¥10 million (wholly owned by Mochida Pharmaceutical)
Head Office: PAXXS Bldg., 2-12 Ichigayahonmuracho, Shinjuku-ku, Tokyo 162-8451, Japan
TEL +81-3-5229-3929

Mochida Heartful Service Co., Ltd.
<Special Subsidiary>

Head Office: 7, Yotsuya 1-chome, Shinjuku-ku, Tokyo 160-8515, Japan
TEL +81-3-3353-7511

Technofine Co., Ltd.

Head Office: 342, Gensuke, Fujieda, Shizuoka 426-8640, Japan
TEL +81-54-636-7032

Mochida Medical USA, Inc.

Incorporated: July 28, 2025
Representative: Fumihiko Mori, President
Main Business: Sale and development of medical devices
Paid-in Capital: USD 1.41 million (wholly owned by Mochida Pharmaceutical)
Head Office: 65 Germantown Court, Suite 226, Cordova, TN 38018, United States

Mochida Medical USA, Inc. Website



Launched the website of Mochida Medical USA, Inc., established in July 2025.

■ Mochida Medical USA, Inc. Website
https://www.mochida-medical.com/

Our History

1900

1913 • Mochida was established by Ryokichi Mochida in Hongo, Bunkyo-ku, Tokyo.



- Started producing pharmaceuticals.
- Started producing and marketing *Ogoko*, an ophthalmic ointment.
- Started producing and marketing *Luestin*, an injectable antiluetic.

1929 • Developed *Thrombrin*, Japan's first organ-derived hemostatic agent.



1932 • Completed and launched *Pelanin*, the first estrogen preparation developed in Japan.



1935 • Launched *Testinon*, a male hormone preparation.

1945 • Mochida Pharmaceutical Co., Ltd. was incorporated.

1951 • Launched *Sprase*, the first hyaluronidase preparation developed in Japan.



1952 • Launched *Estropan*, a complex natural female functional hormone.

1956 • Succeeded in producing *Thrombin*, a hemostatic enzyme, in Japan.

1960 • Launched *Partan*, a hemostatic drug that contributes to uterine contraction.



1963 • Listed on the Second Section of the Tokyo Stock Exchange (TSE).

1964 • Nobuo Mochida was appointed president.



- Launched *Gonavis*, Japan's first immunological pregnancy test kit.
- Launched *Kimotab*, an anti-inflammatory enzyme preparation.

1970 • Launched *Gonavislide*, a pregnancy test kit.



- Took part in "Life" Theme Pavilion at Japan World Exposition and exhibited DNA structure model.
- Established the Paramedical Division and entered the quasi-drugs business.
- Launched *Uronase*, a fibrinolytic enzyme preparation.
- Launched *Skina Babe*, baby bath oil.

1972 • Established the Medical Electronics and Equipment Division.



- Completed and started operating the Shizuoka Plant.

1975 • Launched *Neutrogena*, soap for sensitive skin.

- Completed and started operating the Saitama Plant.
- Listed on the First Section of the TSE.

1976 • Completed and relocated to the new headquarters building in Yotsuya.

1977 • Launched *SONOVISTA*, the first ultrasonic diagnostic scanner developed in Japan.



1979 • Launched *Rocornal*, a circulatory function activator.



1980 • Launched *Collage Cream*, the first basic skin care product containing soluble collagen developed in Japan.



- Launched *Medilaser-S*, the first carbon dioxide laser surgical unit produced in Japan.



1981 • Signed an agreement with Hayashibara Biochemical Laboratory, Inc. for joint research of interferon.

1982 • Completed and opened the Fuji Central Research Laboratory (Gotemba).

1983 • Established the Mochida Memorial Foundation for Medical and Pharmaceutical Research.

1984 • Launched *Arasena-A*, a treatment for viral encephalitis.

- Their Imperial Highnesses Prince and Princess Takamatsu visited Fuji Central Research Laboratory.

1985 • Ei Mochida was appointed president.



- Launched *Miraclid*, the world's first ulinastatin preparation.

1986 • Launched *Florid®-F* injection for the treatment of deep-seated mycoses.



- Launched *Grandaxin*, an autonomic nerve regulator.

1988 • Launched the *Collage Soap* series of low-irritating soap formulated for each specific skin type.

- Launched *Isoprinosine®*, a chemotherapeutic agent.
- Launched natural-type interferon preparations *IFN α MOCHIDA 500* and *IFN β MOCHIDA*.

1989 • Launched *Tecipul*, a tetracyclic antidepressant.

1990 • Susumu Watanabe was appointed president.



- Launched *Epadel Capsule 300*, the world's first high-purity EPA preparation.

1991 • Completed Ohtawara Plant.

1992 • Launched *Arasena-A Ointment*, the first topical antiviral agent developed in Japan.

1996 • Commenced JELIS (EBM study for *Epadel*).

1997 • Launched *Atelec®*, a calcium channel blocker.



1999 • Naoyuki Mochida was appointed president.

- Launched EPA preparations *Epadel S 300* and *600*.
- Launched low-dose oral contraceptives *Ortho 777-28* and *Ortho M-21*.
- Launched *Collage Furfur*, the first shampoo containing antimycotic ingredients developed in Japan.



2026

2001 • Launched *Gonastick 25*, a pregnancy test kit.

- Launched *Arasena-A Cream*, an antiviral agent.

2002 • Obtained the certification of ISO 14001 for Ohtawara Plant.

- Launched *Spurecur®*, a GnRH derivative preparation.

2003 • Launched *Liquid Thrombin Mochida Soft Bottle*, a hemostatic agent.



- Mochida Medical Systems Co., Ltd. commenced operations.

2004 • Mochida Healthcare Co., Ltd. commenced operations.



- Launched *Epadel S 900*, a stick-type EPA preparation.
- Mochida Medical Systems Co., Ltd. commenced operations as Mochida Siemens Medical Systems Co., Ltd. (Excluded from affiliated companies accounted for by the equity method in 2009.)

2005 • Mochida Pharmaceutical Plant Co., Ltd. commenced operations.

- Launched the *Collage Whitening* series, the first whitening skincare products for sensitive skin developed in Japan.
- Results of JELIS (EBM study for *Epadel*) announced by American Heart Association (AHA).

2006 • Launched *Collage Furfur Liquid Soap*.

2007 • Launched *Beselna*, the first treatment for condyloma acuminatum developed in Japan.



2008 • Launched *Dinagest*, a treatment for endometriosis.



- Launched *Divigel®* transdermal estrogen gel.

2009 • Launched *Gonastick W*, a pregnancy test kit.



- Launched *Collage Furfur Next Shampoo* and *Rinse* which contain antimycotic ingredients.

2011 • Launched *Lexapro®*, an anti-depressant.



2013 • Launched a switch-OTC version of *Epadel*.

- Launched the *Collage B.K.AGE* series.
- Launched biosimilar *Filgrastim BS MOCHIDA*.



- Launched *Tramcet®* tablets, an analgesic.

2014 • Launched *Atedio®* tablets for treatment of hypertension.



- Mochida Pharmaceutical Sales Co., Ltd. commenced operations.
- Launched *Treprost®*, a therapeutic agent for pulmonary arterial hypertension.

2016 • Launched *Lialda®*, a treatment for ulcerative colitis.



2017 • Launched *Calprotectin MOCHIDA*, an *in-vitro* diagnostic agent for ulcerative colitis.

2018 • Launched *Doxil®*, an anticancer agent.



- Launched *Goofice®*, a treatment for chronic constipation.
- Launched biosimilar *Etanercept BS MA*.

2019 • Launch of the *Collage Repair Series*, Low-Irritation Skin Care Products for Sensitive Skin.



- Launched *biosimilar Teriparatide BS MOCHIDA*.

2020 • Launched *Gonacard W*, a pregnancy test kit.



- Launched *Urece®*, a treatment of gout and hyperuricemia.
- Launched *Dinagest Tablets 0.5 mg*, a treatment for dysmenorrhea.

2021 • Launched biosimilar *Adalimumab BS MA*.



2022 • Shifted to the TSE Prime Market.

- Launched *Epadel EM*, a self-emulsifying formulation of highly purified EPA.



- Completed and started operating at the new headquarters building in Yotsuya.

2023 • Launched *Treprost Inhalation Solution*, a treatment for pulmonary arterial hypertension.



- Launched *Omvoh®*, a treatment for ulcerative colitis.
- Launched *Cortiment®*, a treatment for ulcerative colitis.
- Launched biosimilar *Pegfilgrastim BS MOCHIDA*.



2024 • Launched *ReFeel*, a material that supports nerve regeneration (U.S.).

2025 • Established Mochida Medical USA, Inc.



- Launched *Mochi-Gel*, Japan's first cartilage repair device.

2026 • Launched the *Collage Furfur Plus series*, a shampoo and conditioner for scalp concerns.



- Launched biosimilar *Tocilizumab BS MA*.

MOCHIDA PHARMACEUTICAL GROUP

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