Life is Rare

June 23, 2026
JCR Pharmaceuticals Co., Ltd.

Partial Correction: "Consolidated Financial Results for the Full Year ended March 31, 2025 (FY2024)" (Japanese standard)

Hyogo, Japan – June 23, 2026 – JCR Pharmaceuticals Co., Ltd. (TSE 4552; "JCR") hereby announces that it has made partial corrections to the Consolidated Financial Results for the Full Year ended March 31, 2025 (FY2024) (Japanese standard) originally disclosed on May 13, 2026, as outlined below.

1. Reason for the Corrections
   Following the publication of the Partial Correction: Consolidated Financial Results for the Full Year ended March 31, 2025 (FY2024) (Japanese standard), the company identified certain errors in the presentation of the consolidated statement of cash flows for the previous fiscal year during the preparation of the annual securities report. Accordingly, the Company has made corrections to the relevant sections.

2. Details of the Corrections
   The corrected portions are underlined.

About JCR Pharmaceuticals Co., Ltd.
JCR Pharmaceuticals Co., Ltd. (TSE 4552) is a global specialty pharmaceutical company that develops treatments that go beyond rare diseases to solve the world's most complex healthcare challenges. We continue to build upon our 50-year legacy in Japan while expanding our global footprint into the U.S., Europe, and Latin America. We improve patients' lives by applying our scientific expertise and unique technologies to research, develop, and deliver next-generation therapies. Our approved products in Japan include therapies for the treatment of growth disorder, MPS II (Hunter syndrome), Fabry disease, acute graft-versus host disease, and renal anemia. Our investigational products in development worldwide are aimed at treating rare diseases including MPS I (Hurler, Hurler-Scheie and Scheie syndrome), MPS II, MPS IIIA and B (Sanfilippo syndrome type A and B), and more. Our core values – Putting people first, Forging our own path, Always advancing, and Committed to excellence – mean that the work we do benefits all our stakeholders, including partners, patients and employees. We strive to expand the possibilities for patients while accelerating medical advancement at a global level. For more information, please visit JCR's global website: https://jcrpharm.com/

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Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Financial Summary
Consolidated Financial Results for the Year ended March 31, 2025 (FY2024)
(Japanese standard)

May 13, 2025

Listed company name: JCR Pharmaceuticals Co., Ltd.
Listed stock exchange: Tokyo Stock Exchange
Code number: 4552 URL: https://www.jcrpharm.co.jp/
Representative: (Title) Representative Director, Chairman and President
(Name) Shin Ashida
Person in charge of inquiries: (Title) Senior Corporate Officer, Executive Director, Corporate Strategy Division
(Name) Yoh Ito TEL: 0797(32)1995
Scheduled date to hold the ordinary general meeting of shareholders: June 25, 2025
Scheduled date to commence dividend payments: June 26, 2025
Scheduled date to file the Securities Report: June 25, 2025
Explanatory material for business results: Available
IR Conference: To be held (for institutional investors and analysts)

(Fractions smaller than one million yen omitted)

1. Consolidated Financial Results for FY2024 (April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results (Cumulative)

(Percentage shows year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Year ended	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2025	33,072	(22.9)	(6,219)	—	(7,046)	—	(4,460)	—
March 31, 2024	42,871	24.8	7,531	51.4	7,264	34.1	5,507	46.0

(Reference) Comprehensive income: Year ended March 31, 2025: (3,744) million yen (—%)
Year ended March 31, 2024: 6,475 million yen (66.8%)

	Earnings per share (basic)	Earnings per share (diluted)	Return on equity	Ordinary profit to total assets	Operating profit to Net sales
Year ended	yen	yen	%	%	%
March 31, 2025	(36.02)	—	(8.7)	(6.8)	(18.8)
March 31, 2024	44.13	43.92	10.3	7.4	17.6

(Reference) Gains/(losses) on equity method investments: Year ended March 31, 2025 (467) million yen
Year ended March 31, 2024 (1,090) million yen

(Note) "Earnings per share (diluted)" for the fiscal year ending March 2025 is not stated because there was a net loss per share, even though there were residual shares.

(2) Consolidated Financial Conditions

	Total assets	Net assets	Equity ratio	Net asset per share
Year ended	million yen	million yen	%	yen
March 31, 2025	104,849	47,734	45.1	387.95
March 31, 2024	102,226	56,475	54.2	443.62

(Reference) Shareholders' equity: As of March 31, 2025: 47,266 million yen
As of March 31, 2024: 55,365 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Year ended	million yen	million yen	million yen	million yen
March 31, 2025	(5,791)	(9,569)	9,736	13,196
March 31, 2024	9,312	(2,690)	(2,031)	18,756

2. Dividends

	Dividends per share					Total annual dividends (total)	Dividend pay-out ratio (consolidated)	Dividends on net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
FY2023	—	10.00	—	10.00	20.00	2,502	45.3	4.7
FY2024	—	10.00	—	10.00	20.00	2,478	—	4.8
FY2025 (Forecast)	—	10.00	—	10.00	20.00		82.6	

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentage figures for the fiscal year represent the changes from the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending Mar. 31, 2026	37,800	14.3	2,600	—	2,400	—	3,000	—	24.22

*Note

(1) Changes in significant subsidiaries during the period : Yes
Excluded: 1 company, Mycenax Biotech Inc.

(2) Changes in accounting policy, changes in accounting estimates and restatements
1. Changes in accounting policy due to the revision of accounting standards, etc. : Yes
2. Changes in accounting principles other than 1. : None
3. Changes in accounting estimates : None
4. Restatement : None

(Note) For details, please see "3. Consolidated Financial Statements and Important Notes (5) Notes to Consolidated Financial Statements (Notes on Changes in accounting policies)" on page 12 of the attached document.

(3) Number of shares outstanding (common stocks)

1. Number of shares outstanding at the end of the period (including treasury stock)	As of March 31, 2025	129,686,308 shares	As of Mar. 31, 2024	129,686,308 shares
2. Number of treasury stock at the end of the period	As of March 31, 2025	7,851,002 shares	As of Mar. 31, 2024	4,881,914 shares
3. Average number of shares outstanding during the period (quarterly cumulative amount)	As of March 31, 2025	123,825,557 shares	As of Mar. 31, 2024	124,793,808 shares

(Reference) Summary of Individual Business Results

1. Individual Business Results for FY2024 (From April 1, 2024 to March 31, 2025)

(1) Individual Business Results (% figures represent annual changes over the preceding year)

	Net sales		Operating profit		Ordinary profit		Net income for the year	
Year ended	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2025	33,071	(22.9)	(6,469)	—	(7, 138)	—	(4,447)	—
March 31, 2024	42,871	24.8	7,549	48.2	8,048	52.3	6,364	72.6

	Earnings per share (basic)	Earnings per share (diluted)
Year ended	Yen	Yen
March 31, 2025	(35.91)	—
March 31, 2024	51.00	50.76

(Note) "Earnings per share (diluted)" for the fiscal year ending March 2025 is not stated because there was a net loss per share, even though there were residual shares.

(2) Individual Financial Conditions

	Total assets	Net assets	Equity ratio	Net asset per share
Year ended	million yen	million yen	%	yen
March 31, 2025	103,813	46,553	44.8	381.48
March 31, 2024	102,102	56,141	54.2	443.32

(Reference) Shareholders' equity: As of March 31, 2025: 46,477 million yen
As of March 31, 2024: 55,328 million yen

* These annual financial results are outside of the scope of quarterly review by a certified public accountant or an audit firm.

* Explanation on the appropriate use of forecasts of financial results and other comments
(Note on forward-looking statements, etc.)

Forward-looking statements, such as forecasts of financial results, contained in this document are based on information currently available to the Company and certain assumption that are judged as rational. The Company does not assure the achievement of these forecasts. In addition, actual financial results may differ significantly from forecasts due to various reasons. For assumptions underlying forecasts of financial results and notes regarding the appropriate use of forecasts of financial results, please refer to "1. Overview of Financial Results, Etc.," on page 3 of the attached material.

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1. Overview of Financial Results, Etc.

(1) Overview of Financial Results

[1] FY2024 Financial Results

Net sales totaled 33,072 million yen (down 22.9% from the previous fiscal year).

Sales of IZCARGO® 10 mg for intravenous infusion, a treatment for mucopolysaccharidosis type II, remained strong, and sales of GROWJECT®, a recombinant natural human growth hormone preparation, increased due to higher sales volume, despite a drug price revision in April 2024. However, overall product sales declined due to lower sales of treatments for renal anemia and other factors. In addition, revenue decreased compared to the previous fiscal year as a planned licensing agreement was not concluded during the current fiscal year.

As a result of active research and development (R&D) activities, R&D expenses increased by 37.4% to 15,431 million yen (an increase of 4,196 million yen from the previous fiscal year).

Furthermore, losses were recorded for manufacturing-related materials and investigational drugs procured to maintain a stable supply of products during the COVID-19 pandemic that are not expected to be used in the future. In addition, extraordinary income that had been planned was not recorded due to the postponement of the confirmation of subsidies for the construction of the Kobe Science Park Center's drug substance manufacturing plant (completed in November 2022) to the next fiscal year. As a result, operating loss amounted to 6,219 million yen (compared to an operating profit of 7,531 million yen in the previous fiscal year), ordinary loss amounted to 7,046 million yen (an ordinary profit of 7,264 million yen in the previous fiscal year), and loss attributable to owners of parent was 4,460 million yen (profit attributable to owners of parent of 5,507 million yen in the previous fiscal year).

	Previous consolidated results (cumulative) (April 1, 2023 to March 31, 2024)	Current consolidated results (cumulative) (April 1, 2024 to March 31, 2025)	Rate of change
	Amount (million yen)	Amount (million yen)	%
Net sales	42,871	33,072	(22.9)
Operating profit (loss)	7,531	(6,219)	—
Ordinary profit (loss)	7,264	(7,046)	—
Profit (loss) attributable to owners of parent	5,507	(4,460)	—

[2] Main components of sales

	Previous consolidated results (cumulative) (April 1, 2023 to March 31, 2024)	Current consolidated results (cumulative) (April 1, 2024 to March 31, 2025)	Rate of change
	Amount (million yen)	Amount (million yen)	%
Human growth hormone product **GROWJECT®**	17,913	18,098	1.0
Treatment for mucopolysaccharidosis type II **IZCARGO® for I.V. Infusion**	5,171	5,718	10.6
Treatment for renal anemia	4,652	3,784	(18.7)
Epoetin Alfa BS Inj. [JCR]	1,994	1,690	(15.2)
Darbepoetin Alfa BS Inj. [JCR]	2,658	2,093	(21.2)
Regenerative medicine products **TEMCELL® HS Inj.**	3,236	2,904	(10.2)
Treatment for Fabry disease **Agalsidase Beta BS I.V. Infusion [JCR]**	1,661	1,149	(30.8)
Total	32,636	31,655	(3.0)
Income from contractual payment	7,413	517	(93.0)

(Note) Income from contractual payment in the previous fiscal year was derived from the conclusion of licensing and co-promotion agreements for commercialization. Income from contractual payment for the current consolidated fiscal year was due to the achievement of milestones and other factors.

[3] The Status of Research and Development (R&D)

[Lysosomal Storage Disorder (LSD) Treatments]

- We are currently focusing on the research and development of over 17 LSD treatments, utilizing our proprietary blood-brain barrier (BBB) penetration technology, J-Brain Cargo®.

- For pabinafusp alfa (JR-141), a BBB-penetrating enzyme replacement therapy for Hunter syndrome, we are progressing with global Phase III clinical trials. Additionally, Cohort B, targeting patients with attenuated type, has completed the enrollment of 20 subjects, and Cohort A, targeting more neuronopathic type, has completed over 95% of its enrollment.

- For lepunafusp alfa (JR-171), a BBB-penetrating enzyme replacement therapy for mucopolysaccharidosis type I, we have completed a 13-week Phase I/II clinical trial in Japan, Brazil, and the U.S., and are continuing with an extension study. We intend to develop this product through licensing out and are in ongoing negotiations with potential partners.

- For JR-441, a BBB-penetrating enzyme replacement therapy for mucopolysaccharidosis type IIIA, a Phase I/II clinical trial is underway in Germany, and the planned enrollment of 12 subjects was completed in the first half of 2024. In Japan, administration of

the investigational drug in a Phase I clinical trial began in October 2024. Additionally, the treatment has been granted orphan drug designation by the European Commission (EC) in January 2022, by the U.S. Food and Drug Administration (FDA) in December 2023, and the Japan's Ministry of Health, Labour and Welfare in December 2024.

- For JR-446, a BBB-penetrating enzyme replacement therapy for mucopolysaccharidosis type IIIB, we entered into a licensing agreement for overseas commercialization and a co-development and commercialization agreement in Japan with MEDIPAL HOLDINGS CORPORATION in September 2023. In December 2024, administration of the investigational drug in a Phase I/II clinical trial began in Japan. The treatment has been granted orphan drug designation by the U.S. Food and Drug Administration (FDA) in April 2025.

- For JR-471, a BBB-penetrating enzyme replacement therapy for fucosidosis using J-Brain Cargo®, we have granted MEDIPAL HOLDINGS CORPORATION an exclusive license, including sublicensing rights, for the research, development, manufacturing, and commercialization of the product outside Japan, under a licensing agreement signed in October 2022. We are currently conducting necessary studies in preparation for the initiation of clinical trials.

[Creation of Platform Technologies]

In addition to expanding the applicability of JCR's proprietary J-Brain Cargo® technology to various modalities, we are focusing on creating new platform technologies beyond J-Brain Cargo®. As one of the outcomes of these efforts, a new gene therapy technology applying J-Brain Cargo® to adeno-associated virus (AAV) vectors was announced in May 2024. One of the outcomes of these efforts is the creation of a new gene therapy technology called 'JUST-AAV' using adeno-associated virus vectors. This technology not only enables efficient delivery of vectors to the brain but also reduces vector accumulation in the liver, which is expected to mitigate side effects. It is currently under development as a new platform technology. In December 2023, we began joint research with Modalis Therapeutics Corporation to develop new gene therapies using this technology. In January 2025, due to the success of the partnership thus far, we concluded to proceed to the next phase of their research by entering into a new joint research agreement.

[Human Growth Hormone Products]

- An extension study of redalsomatropin alfa (JR-142), a long-acting recombinant human growth hormone, is currently underway as part of a Phase II clinical trial. In December 2024, administration of the investigational drug in a Phase III clinical trial began in Japan.

[4] Outlook for the next fiscal year

The outlook for consolidated results for the next fiscal year is as follows.

	Current consolidated results (cumulative) (April 1, 2024 to March 31, 2025)	Outlook for the next fiscal year (cumulative) (April 1, 2025 to March 31, 2026)	Increase/Decrease	Rate of change
	Amount (million yen)	Amount (million yen)	Amount (million yen)	%
Net sales	33,072	37,800	4,728	14.3
Operating profit (loss)	(6,219)	2,600	8,819	—
Ordinary profit (loss)	(7,046)	2,400	9,446	—
Profit (loss) attributable to owners of parent	(4,460)	3,000	7,460	—

(Net Sales)

Sales of IZCARGO®10 mg for intravenous infusion, a treatment for Hunter syndrome, are expected to increase due to steady growth in volume. Sales of our mainstay products are projected to remain at the same level as in the current fiscal year. In addition, total sales are expected to increase as a result of continued proactive efforts in the licensing business.

(Profit)

Regarding R&D activities, we position them as a key component of our future growth strategy and have been making aggressive investments in recent years. R&D expenses are expected to be 15 billion yen (down 2.8% from the current fiscal year), and operating profit is projected to be 2.6 billion yen.

Ordinary profit and profit attributable to owners of parent are expected to be 2.4 billion yen and 3.0 billion yen, respectively.

(2) Overview of Financial Condition

[1] Assets, Liabilities and Net Assets

Total assets at the end of the current fiscal year were 104,849 million yen (up 2,623 million yen from the end of the previous fiscal year), total liabilities were 57,114 million yen (up 11,364 million yen), and total net assets were 47,734 million yen (down 8,741 million yen).

Current assets decreased by 6,094 million yen from the end of the previous fiscal year to 51,487 million yen, mainly due to decreases in cash and deposits as well as accounts receivable - trade, and contract assets, despite an increase in inventories. Non-current assets increased by 8,717 million yen from the end of the previous fiscal year to 53,361 million yen, mainly due to an increase in property, plant and equipment, including construction in progress related to the new drug product plant, as well as deferred tax assets.

Current liabilities increased by 13,547 million yen from the end of the previous fiscal year to 43,683 million yen, mainly due to an increase in short-term borrowings, despite a decrease in income taxes payable. Non-current liabilities decreased by 2,183 million yen from the end of the previous fiscal year to 13,431 million yen, mainly due to a decrease in long-term borrowings.

Net assets decreased by 8,741 million yen from the end of the previous fiscal year to 47,734 million yen, mainly due to loss attributable to owners of parent, dividend payments, an increase in treasury shares, and a decrease in share acquisition rights, despite an increase in valuation difference on available-for-sale securities.

As a result, the equity ratio at the end of the current fiscal year was 45.1%, down 9.1 percentage points from the end of the previous fiscal year.

In order for the Group to achieve sustainable global growth, it is essential to secure flexible and stable financing. Accordingly, the Company has entered into commitment line agreements totaling 49.5 billion yen with multiple financial institutions to ensure the

availability of working capital as a backup line of credit.
Of this amount, 26.5 billion yen was arranged specifically to finance the construction of a new drug product plant. The construction of the new drug product plant has been selected by the Ministry of Economy, Trade and Industry (METI) under the "Project for Establishing Biopharmaceutical Manufacturing Sites to Strengthen Vaccine Production," and the related subsidy will be used to fund the construction. The commitment line agreement was established to cover the necessary funds until the subsidy is received.

[2] Status of Cash Flows

Cash and cash equivalents at the end of the current fiscal year amounted to 13,196 million yen, a decrease of 5,559 million yen from the end of the previous fiscal year. The cash flows and their main contributing factors are as follows.

(Cash flows from operating activities)

Net cash used in operating activities totaled 5,791 million yen (an increase of 15,104 million yen in outflows from the previous fiscal year). This was mainly due to a decrease in trade receivables of 2,698 million yen and depreciation of 3,374 million yen, offset by loss before income taxes of 5,983 million yen and income taxes paid of 2,284 million yen.

(Cash flows from investing activities)

Net cash used in investing activities totaled 9,569 million yen (an increase of 6,878 million yen in outflows from the previous fiscal year). This was mainly due to 9,582 million yen in expenditures for the purchase of property, plant and equipment.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to 9,736 million yen (an increase of 11,768 million yen in inflows from the previous fiscal year). This was mainly due to a net increase in short-term borrowings of 14,805 million yen, among other factor.

(Reference) Changes in cash flow indicators

	Year ended March 2021	Year ended March 2022	Year ended March 2023	Year ended March 2024	Year ended March 2025
Equity ratio	51.3%	51.8%	54.2%	54.2%	45.1%
Market value-based equity ratio	600.6%	287.6%	185.7%	104.9%	56.2%
Ratio of interest-bearing debt to cash flow	1.8 years	2.0 years	―	2.9 years	―
Interest Coverage Ratio	223.7 times	202.9 times	―	93.0 times	―

(Note) Equity ratio means equity / total assets
Market value-based equity ratio means market capitalization / total assets
Ratio of interest-bearing debt to cash flow means interest-bearing debt / cash flow
Interest coverage ratio means cash flow / interest payments
*All calculations are based on consolidated financial figures.
*Market capitalization is calculated based on the number of shares outstanding excluding treasury shares.
*Cash flow from operating activities is used for cash flow. Interest-bearing debt covers all liabilities on the consolidated balance sheets for which interest is paid. Interest payments are based on the amount of interest paid in the consolidated statements of cash flows.
*Cash flow to debt ratio and interest coverage ratio for the fiscal year ended March 31, 2023 and March 31, 2025 are not shown due to negative cash flows from operating activities.

(3) Basic Policy on Profit Distribution and Dividends for the Current and Next Fiscal Years

The Company regards the return of profits to shareholders as one of its most important management policies.
The Company's basic policy is to pay continuous and stable dividends while securing internal reserves for the development of new drugs that will serve as a source of future profits and for strengthening its management structure, taking into account its business performance and cash flow situation.
Based on the above basic policy, the Board of Directors resolved at its meeting held on May 13, 2025 to pay a year-end dividend of 10 yen per share for the current fiscal year. As a result, the total dividend for the full year, including the interim dividend, will be 20 yen per share (interim dividend: 10 yen per share, year-end dividend: 10 yen per share).
Internal reserves will be effectively utilized as a source of funds to strengthen the corporate structure and contribute to sustainable earnings growth and shareholder returns.
For the next fiscal year (ending March 31, 2026), the Company plans to pay a total dividend of 20 yen per share (interim dividend of 10 yen and year-end dividend of 10 yen).

2. Basic Concept to the Selection of Accounting Standards

JCR Group has adopted Japanese standards as its accounting standards. As for IFRS, it is our policy to continue examination in consideration of trends in adoption of IFRS.

3. Consolidated Financial Statements and Important Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	18,756	13,196
Accounts receivable - trade, and contract assets	14,934	12,236
Merchandise and finished goods	2,111	2,573
Work in process	6,220	6,412
Raw materials and supplies	12,602	13,202
Other	2,955	3,866
Total current assets	57,581	51,487
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,140	13,229
Machinery, equipment and vehicles, net	3,293	2,451
Land	10,587	10,587
Construction in progress	171	9,190
Other, net	1,847	1,645
Total property, plant and equipment	30,040	37,104
Intangible assets		
Patent right	2,158	1,881
Other	1,338	1,079
Total intangible assets	3,496	2,960
Investments and other assets		
Investment securities	9,120	9,629
Retirement benefit asset	333	307
Deferred tax assets	1,288	2,853
Other	369	510
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	11,107	13,295
Total non-current assets	44,644	53,361
Total assets	102,226	104,849

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	890	590
Short-term borrowings	8,200	23,005
Current portion of long-term borrowings	750	3,050
Accounts payable - other	2,745	2,756
Income taxes payable	1,657	36
Special suspense account for tax purpose reduction entry	11,996	11,996
Provision for bonuses	1,016	1,089
Provision for bonuses for directors (and other officers)	114	127
Other	2,765	1,032
Total current liabilities	30,135	43,683
Non-current liabilities		
Long-term borrowings	14,350	12,050
Provision for employee stock ownership plan	81	120
Retirement benefit liability	903	966
Other	280	294
Total non-current liabilities	15,615	13,431
Total liabilities	45,750	57,114
Net assets		
Shareholders' equity		
Share capital	9,061	9,061
Capital surplus	10,384	10,392
Retained earnings	37,278	31,490
Treasury shares	(2,963)	(5,066)
Total shareholders' equity	53,761	45,878
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	741	937
Deferred gains or losses on hedges	(0)	2
Foreign currency translation adjustment	731	393
Remeasurements of defined benefit plans	132	53
Total accumulated other comprehensive income	1,604	1,387
Share acquisition rights	812	75
Non-controlling interests	297	392
Total net assets	56,475	47,734
Total liabilities and net assets	102,226	104,849

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	42,871	33,072
Cost of sales	11,620	10,902
Gross profit	31,251	22,169
Selling, general and administrative expenses	23,719	28,389
Operating profit (loss)	7,531	(6,219)
Non-operating income		
Interest income	111	113
Dividend income	26	34
Foreign exchange gains	767	—
Commission income	—	36
Other	151	76
Total non-operating income	1,056	260
Non-operating expenses		
Share of loss of entities accounted for using equity method	1,090	467
Interest expenses	86	155
Commission expenses	111	61
Depreciation	—	191
Foreign exchange losses	—	196
Other	35	15
Total non-operating expenses	1,324	1,088
Ordinary profit (loss)	7,264	(7,046)
Extraordinary income		
Gain on reversal of share acquisition rights	—	393
Gain on cancellation of contract	—	627
Gain on sale of non-current assets	0	0
Other	—	44
Total extraordinary income	0	1,065
Extraordinary losses		
Loss on disposal of non-current assets	20	2
Total extraordinary losses	20	2
Profit (loss) before income taxes	7,244	(5,983)
Income taxes - current	1,788	52
Income taxes - deferred	(80)	(1,639)
Total income taxes	1,707	(1,586)
Profit (loss)	5,536	(4,396)
Profit attributable to non-controlling interests	28	63
Profit (loss) attributable to owners of parent	5,507	(4,460)

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit (loss)	5,536	(4,396)
Other comprehensive income		
Valuation difference on available-for-sale securities	185	195
Deferred gains or losses on hedges	(0)	3
Foreign currency translation adjustment	166	130
Remeasurements of defined benefit plans, net of tax	153	(78)
Share of other comprehensive income of entities accounted for using equity method	434	401
Total other comprehensive income	939	652
Comprehensive income	6,475	(3,744)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,430	(3,840)
Comprehensive income attributable to non-controlling interests	44	96

(3) Consolidated Statements of Changes in Net Assets
FY2023 (from April 1, 2023 to March 31,2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,061	10,384	34,273	(2,978)	50,740
Changes during period					
Dividends of surplus			(2,502)		(2,502)
Profit attributable to owners of parent			5,507		5,507
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				15	15
Change in scope of equity method					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	3,005	15	3,020
Balance at end of period	9,061	10,384	37,278	(2,963)	53,761

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	555	—	146	(20)	681	740	251	52,413
Changes during period								
Dividends of surplus								(2,502)
Profit attributable to owners of parent								5,507
Purchase of treasury shares								(0)
Disposal of treasury shares								15
Change in scope of equity method								—
Net changes in items other than shareholders' equity	185	(0)	585	153	923	71	45	1,040
Total changes during period	185	(0)	585	153	923	71	45	4,061
Balance at end of period	741	(0)	731	132	1,604	812	297	56,475

FY2024 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,061	10,384	37,278	(2,963)	53,761
Changes during period					
Dividends of surplus			(2,508)		(2,508)
Profit (loss) attributable to owners of parent			(4,460)		(4,460)
Purchase of treasury shares				(2,530)	(2,530)
Disposal of treasury shares		8		426	435
Change in scope of equity method			1,180		1,180
Net changes in items other than shareholders' equity					
Total changes during period	—	8	(5,788)	(2,103)	(7,882)
Balance at end of period	9,061	10,392	31,490	(5,066)	45,878

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	741	(0)	731	132	1,604	812	297	56,475
Changes during period								
Dividends of surplus								(2,508)
Profit (loss) attributable to owners of parent								(4,460)
Purchase of treasury shares								(2,530)
Disposal of treasury shares								435
Change in scope of equity method								1,180
Net changes in items other than shareholders' equity	195	3	(337)	(78)	(216)	(737)	95	(858)
Total changes during period	195	3	(337)	(78)	(216)	(737)	95	(8,741)
Balance at end of period	937	2	393	53	1,387	75	392	47,734

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	7,244	(5,983)
Depreciation	3,197	3,374
Share of loss (profit) of entities accounted for using equity method	1,090	467
Gain on reversal of share acquisition rights	—	(393)
Increase (decrease) in retirement benefit liability	68	2
Increase (decrease) in provision for bonuses	41	73
Share-based payment expenses	71	9
Interest and dividend income	(138)	(147)
Interest expenses	86	155
Foreign exchange losses (gains)	(734)	75
Decrease (increase) in trade receivables	(3,797)	2,698
Decrease (increase) in accounts receivable - other	407	(244)
Decrease (increase) in inventories	(2,437)	(1,253)
Increase (decrease) in trade payables	(672)	(300)
Increase (decrease) in accounts payable - other	391	(41)
Increase (decrease) in accrued consumption taxes	1,961	(1,966)
Decrease (increase) in long-term prepaid expenses	(44)	(215)
Decrease (increase) in prepaid expenses	(228)	437
Other, net	772	(254)
Subtotal	7,280	(3,506)
Interest and dividends received	138	147
Interest paid	(87)	(147)
Income taxes refund (paid)	1,982	(2,284)
Net cash provided by (used in) operating activities	9,312	(5,791)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,526)	(9,582)
Purchase of shares of subsidiaries and associates	(600)	—
Proceeds from sale of shares of subsidiaries and associates	—	145
Other, net	(564)	(131)
Net cash provided by (used in) investing activities	(2,690)	(9,569)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(6,900)	14,805
Proceeds from long-term borrowings	9,600	750
Repayments of long-term borrowings	(1,700)	(750)
Redemption of bonds	(500)	—
Net decrease (increase) in treasury shares	15	(2,509)
Dividends paid	(2,500)	(2,505)
Other, net	(46)	(54)
Net cash provided by (used in) financing activities	(2,031)	9,736
Effect of exchange rate change on cash and cash equivalents	886	64
Net increase (decrease) in cash and cash equivalents	5,477	(5,559)
Cash and cash equivalents at beginning of period	13,278	18,756
Cash and cash equivalents at end of period	18,756	13,196

(5) Notes to Consolidated Financial Statements

(Notes on premises as a going concern)

There are no relevant items to report.

(Notes on Changes in Accounting Policies)

(Application of the "Accounting Standard for Current Income Taxes, etc.")

The "Accounting Standard for Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standard") and other related standards have been applied from the beginning of the current fiscal year.

For amendments related to the presentation of income taxes on other comprehensive income, the Company has applied the transitional treatment as prescribed in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the proviso to Paragraph 65-2(2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Guidance").

Additionally, the 2022 Revised Guidance has been applied from the beginning of the current fiscal year for the revisions related to the treatment in consolidated financial statements of deferred tax effects arising from gains and losses on intra-group sales of subsidiary shares. The change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been restated accordingly. However, there was no impact on the consolidated financial statements for the previous fiscal year as a result of this change.

(Notes on Segment Information)

Segment information is not disclosed since the Group has only one segment, Pharmaceuticals.

(Notes on Per Share Information)

The amounts of net assets per share, basic earnings (loss) per share, and diluted earnings per share, as well as the bases for their respective calculations, are as follows.

Item	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
(1) Net assets per share	443.62	387.95
(Basis for calculation)		
Total net assets in the consolidated balance sheets (millions of yen)	56,475	47,734
Net assets associated with common stock (millions of yen)	55,365	47,266
Breakdown of major differences (millions of yen)		
Share acquisition rights	812	75
Non-controlling interests	297	392
Number of common stock outstanding (shares)	129,686,308	129,686,308
Number of shares of treasury shares (common stock)	4,881,914	7,851,002
Number of common stock used for calculations of net asset per share (shares)	124,804,394	121,835,306

Item	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
(2) Basic earnings per share (yen)	44.13	(36.02)
(Basis for calculation)		
Profit attributable to owners of parent in the Consolidated Statements of Income (millions of yen)	5,507	(4,460)
Amount not attributable to common stock (millions of yen)	—	—
Profit attributable to owners of parent associated with common stock (millions of yen)	5,507	(4,460)
Average number of common stock outstanding (shares)	124,793,808	123,825,557
(3) Diluted earnings per share (yen)	43.92	—
(Basis for calculation)		
Adjustment to profit attributable to owners of parent (millions of yen)	—	—
Major breakdown of increased number of common stock used for calculations of diluted earnings per share (shares)		

Item	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Share acquisition rights	603,248	―
Increased number of common stock (shares)	603,248	―
Outline of potential shares not included in the calculation of diluted earnings per share because they were anti-dilutive	―	―

(Notes)

1. The Company's shares held in trust under the Employee Stock Ownership Plan, which are recorded as treasury shares under Shareholders' equity, are deducted as treasury shares in the calculation of the average number of shares outstanding during the period for calculating basic earnings (loss) per share, and are also deducted from the total number of shares issued at the end of the period for calculating net assets per share.
   The average number of the said treasury shares deducted during the period for calculating basic earnings (loss) per share was 306,592 shares in the previous fiscal year and 270,776 shares in the current fiscal year. The number of the said treasury shares deducted at the end of the period for calculating net assets per share was 296,000 shares in the previous fiscal year and 256,500 shares in the current fiscal year.

2. Diluted earnings per share for the fiscal year ended March 31, 2025 is not presented, as earnings per share was negative despite the existence of dilutive shares.

(Important subsequent events)
None

4. Other

R&D Pipeline
Recombinant drug products

Code Nonproprietary Name	Status	Indication Remarks
JR-141 BBB-Penetrating Iduronate-2-sulfatase (rDNA origin)	Global: Clinical Phase III trials	Mucopolysaccharidosis II (Hunter syndrome) ERT J-Brain Cargo®
JR-142 Long-acting Growth hormone (rDNA origin)	Japan: Clinical Phase III trials	Pediatric growth hormone deficiency J-MIG System®
JR-171 BBB-Penetrating α-L-Iduronidase (rDNA origin)	Global: Clinical Phase I/II trials	Mucopolysaccharidosis I (Hurler syndrome, etc.) ERT J-Brain Cargo® J-MIG System®
JR-441 BBB-Penetrating heparan N-sulfatase (rDNA origin)	Germany: Clinical Phase I/II trials Japan: Clinical Phase I trials	Mucopolysaccharidosis IIIA (Sanfilippo syndrome type A) ERT J-Brain Cargo®
JR-446 BBB-Penetrating α-N-acetylglucosaminidase (rDNA origin)	Japan: Clinical Phase I/II trials	Mucopolysaccharidosis IIIB (Sanfilippo syndrome type B) ERT J-Brain Cargo®
JR-471 BBB-penetrating α-L-fucosidase (rDNA origin)	Preclinical	Fucosidosis ERT J-Brain Cargo®
JR-479 BBB-penetrating β-Hexosaminidase A (rDNA origin)	Preclinical	GM2 gangliosidosis (Tay-Sachs disease, Sandhoff disease) ERT J-Brain Cargo®
JR-162 J-Brain Cargo® applied acid α-glucosidase (rDNA origin)	Preclinical	Pompe disease ERT J-Brain Cargo®
JR-443 BBB-Penetrating β-glucuronidase (rDNA origin)	Preclinical	Mucopolysaccharidosis VII (Sly syndrome) ERT J-Brain Cargo®

(Note) ERT= Enzyme Replacement Therapy