Translation

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Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2027 (Under Japanese GAAP)

November 11, 2026

Company name:	Tsubota Laboratory Incorporated
Stock exchange listings:	Tokyo Stock Exchange
Stock code:	4890
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Scheduled date for submission of interim report:	November 12, 2026
Supplementary materials for financial summaries:	Yes
Financial results briefing:	Yes

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

1. Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2027 (from April 01, 2026 to September 30, 2026)

(1) Consolidated operating results (Cumulative)

(Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2026	491	-	(331)	-	(294)	-	(295)	-
September 30, 2025	-	-	-	-	-	-	-	-

(Note) Comprehensive income Interim period of fiscal year ending March 2027 (295) million yen (-%) Interim period of fiscal year ending March 2026 - million yen (-%)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	(11.42)	-
September 30, 2025	-	-

(Note) 1. As the Company has prepared interim consolidated financial statements since the interim period of the fiscal year ending March 2027, figures for the interim period of the fiscal year ending March 2026 and YoY changes are not presented.

2. Diluted earnings per share for the interim period of the fiscal year ending March 2027 is not presented because it is an interim net loss per share, although potential shares exist.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
September 30, 2026	1,463	622	42.3
March 31, 2026	-	-	-

(Reference) Owner's equity Interim period of fiscal year ending March 2027 618 million yen Fiscal year ending March 2026 - million yen

(Note) As the Company has prepared interim consolidated financial statements since the interim period of the fiscal year ending March 2027, figures for the fiscal year ended March 2026 are not stated.

2. Cash dividends

	Annual dividends per share				
	End of the first quarter	End of the second quarter	End of the third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2027	-	0.00			
Fiscal year ending March 31, 2027 (Forecast)			-	0.00	0.00

(Note) Whether there has been any revision to the most recently announced dividend forecast: None

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2027 (from April 01, 2026 to March 31, 2027)

(Percentages indicate YoY changes)

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending March 31, 2027	1,400~1,800	-	0~45	-	40~85	-	40~85	-	1.55~3.29

(Note) 1. Revision to the previously announced earnings forecast: Yes

2.Since the Company has prepared interim consolidated financial statements from the interim period of the fiscal year ending March 2027, percentage changes from the Previous period are not provided.

※ Notes

(1) Significant changes in the scope of consolidation during the period:Yes

New 1 company (Company name) Mediproduce Co., Ltd., Excluded - companies (Company name) -

(2) Application of accounting treatments specific to the preparation of interim consolidated financial statements:Yes

(3) Changes in accounting policies, Changes in accounting estimates, Retrospective restatement

(i) Changes in accounting policies based on revisions of accounting standard :None

(ii) Changes in accounting policies other than (i) :None

(iii) Changes in accounting estimates :None

(iv) Retrospective restatement :None

(4) Number of shares issued (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2026	25,969,738 shares
As of March 31, 2026	25,794,300 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2026	- shares
As of March 31, 2026	- shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2026	25,867,159 shares
Six months ended September 30, 2025	25,717,715 shares

※ Second-quarter (interim period) financial results summary is not subject to review by a certified public accountant or audit corporation.

※ Explanation regarding the appropriate use of Forecasts, and other special notes

(Notes on Forward-Looking Statements, etc.)

Forward-looking statements, including earnings forecasts, contained in this material are based on information currently available to our group and certain assumptions that we deem reasonable, and are not intended to constitute a commitment by the Company to achieve such results. Actual performance, etc., may differ significantly due to various factors.

Furthermore, as the Company transitioned to consolidated financial results from the second quarter of the fiscal year ending March 2027, it has changed from the previous non-consolidated forecasts to consolidated forecasts.

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1. Qualitative information on the Current interim financial results

(1) Explanation regarding operating results

As we acquired all shares of Mediproduce Co., Ltd. and made it a consolidated subsidiary as of July 1, 2026, we have prepared interim consolidated financial statements from the current interim consolidated accounting period. Therefore, no comparative analysis with the same period of the previous year has been conducted.

During the current interim consolidated accounting period (April 1, 2026~September 30, 2026), our group promoted research and development and licensing businesses centered on pharmaceuticals and medical devices, while also working to create new businesses utilizing research results related to Violet Light and to expand its business into the healthcare consumer field.

Our research and development-based licensing business is primarily based on out-licensing research and development results to domestic and overseas business partners and generating revenue through upfront payments, development milestone payments, and royalties following product commercialization. Accordingly, the business has the characteristic that performance for each period fluctuates depending on the timing of contract execution and development progress at the licensees. During the current interim consolidated accounting period, we recorded milestone revenue under existing license agreements, while also making progress toward clinical development and commercialization across multiple major pipelines.

Pharmaceutical research and development

Regarding the license agreement with an overseas pharmaceutical company concerning non-clinical trial data and certain clinical trial results announced on October 15, 2024, submission of the final data under the agreement and acceptance by the licensee have been completed, and the final milestone has been achieved. Accordingly, revenue related to the milestone was recognized in the first quarter accounting period.

Regarding “TLM-001,” an ophthalmic drug for meibomian gland dysfunction that has been out-licensed to Maruho Co., Ltd., the final observation of the final subject was completed on June 25, 2026, in the Phase 2a trial conducted by the company, thereby achieving LPO (Last Patient Out). Accordingly, the subject observation period has ended, and the locking and analysis of the clinical trial data are underway.

Regarding the ophthalmic drug "TLM-003," which has been licensed to Rohto Pharmaceutical Co., Ltd. for the purpose of suppressing myopia progression, a domestic Phase 2 trial conducted by the company is ongoing. In addition, overseas, a Phase 2 trial conducted by Laboratoires Théa is underway, and clinical development is progressing both domestically and internationally.

Regarding the pharmaceutical pipeline “TLM-017” for ocular Graft-versus-Host Disease (ocular GvHD), we are continuing the specified clinical research that achieved FPI (First Patient In) in March 2026 and proceeding with the evaluation of its safety and preliminary efficacy. In addition, for the pharmaceutical pipeline “TLM-023,” which targets a novel mechanism of action for suppressing myopia progression, we are continuing research and development toward clinical development and have begun consultations with regulatory authorities.

Medical device research and development

Regarding the violet light irradiation device “TLG-001,” which is intended to suppress myopia progression, the submission of the Clinical Study Report (CSR: Clinical Study Report) for the domestic clinical trial to the co-development partner resulted in the achievement of a contractual milestone, and the lump-sum payment related to the milestone was recorded as Net sales in the second quarter of the consolidated accounting period.

Although the primary endpoint was not met in the overall efficacy analysis of the domestic clinical trial, an exploratory subgroup analysis of participants with shorter outdoor activity time suggested a trend toward reduced myopia progression in the TLG-001 group compared with the control group. Based on these findings, preparations are underway for clinical development in China led by development partner BYPT, with which a licensing agreement has been concluded.

In addition, we are continuing the specified clinical research for the medical device pipeline "TLG-020" for retinitis pigmentosa.

New business development and the healthcare consumer sector

We are promoting “ReLight Tech®,” an initiative aimed at creating new business opportunities by expanding the results of our research on light science, including violet light, into fields other than pharmaceuticals and medical devices. Through joint research with the Graduate School of Engineering, Tohoku University, we developed microLED display technology capable of emitting violet light while maintaining conventional display functions, and gave an invited presentation and exhibited the technology at SID Display Week 2026 held in the United States in May 2026.

During the current interim consolidated accounting period, we advanced the development of display prototypes and proceeded with examining the possibility of commercialization, including practical application through collaboration with display manufacturers and others and the provision of licenses. The business is currently at the research and development and commercialization study stage.

Furthermore, in the consumer products business for healthcare consumers, we commenced general sales in Japan on August 27, 2026, of the skincare brand "aeonia (Aeonia)" of U.S.-based Delavie Sciences. While building on our research and development

and licensing businesses, our Group is also pursuing business development aimed at creating new revenue opportunities in the healthcare consumer segment.

Capital policy supporting the growth strategy

At the meeting of the Board of Directors held on June 1, 2026, we resolved to issue the 8th, 9th and 10th share acquisition rights through a third-party allotment to Cantor Fitzgerald Europe, and payment was completed on June 17 of the same year. If all of these share acquisition rights are exercised at their initial exercise prices, the estimated net proceeds would be approximately 1.99 billion yen, which is planned to be allocated to strategic investments, such as domestic and overseas clinical development in the ophthalmology field, the introduction of drug candidate compounds and M&A, as well as the launch of the ReLight Tech business.

While continuing to fundamentally adopt a business model of out-licensing research and development seeds relatively early, our policy is to enhance pipeline value by advancing the clinical development of certain pipelines selected based on their business potential, development value, and other factors to a certain stage under our own leadership before out-licensing them. This financing is intended to strengthen our financial foundation for executing our growth strategy, including such selective research and development investments.

As of September 30, 2026, no exercise of share acquisition rights has been conducted, and there are no funds raised through exercise. Based on the future status of exercise of share acquisition rights and the business environment, the Company will work to secure the funds necessary to execute its growth strategy and strengthen its financial foundation.

M&A and expansion of the business foundation

As of July 1, 2026, we acquired all shares of Mediproduce Co., Ltd., which engages in marketing PR in the medical and healthcare fields, planning and operation of medical events and academic conferences, and the planning and sale of cosmetics, making it a consolidated subsidiary.

The company has a business foundation consisting of a network of medical professionals and marketing support services in the medical and healthcare fields, and for the current interim consolidated accounting period, it has consolidated the results for the three-month period from July 1, 2026 to September 30, 2026. As a result, the revenue base of our Group has expanded from its traditional research and development and licensing businesses to include the event planning and operation and cosmetics-related businesses operated by the company.

Our Group will seek to implement research and development results in society and expand business opportunities in the medical and healthcare fields by mutually leveraging our research and development functions and domestic and overseas business development network, together with the marketing and business operation functions of the Company.

As a result, Net sales for the current interim consolidated accounting period were 491,981 thousand yen, operating loss was 331,127 thousand yen, ordinary loss was 294,611 thousand yen, and interim net loss attributable to owners of the parent was 295,444 thousand yen.

Net sales were supported by the final milestone under a license agreement with an overseas pharmaceutical company, milestone revenue related to TLG-001, and the consolidation of the results of Mediproduce Co., Ltd. from the second quarter consolidated accounting period, among other factors.

On the profit front, expenses related to research and development activities for pharmaceuticals and medical devices, as well as expenses including promotion expenses associated with the launch of the consumer products business for healthcare consumers, were incurred. In addition, expenses related to the operation of existing businesses and business expansion at Mediproduce Co., Ltd. were incurred, resulting in an operating loss.

The business results by segment are as follows.

In addition, Net sales for each segment include internal Net sales or transfer amounts between segments.

<R&D Business>

In the R&D business, we promoted research and development activities under existing license agreements and advanced the development of each research and development pipeline.

As a result, Net sales for the current interim consolidated accounting period were 437,906 thousand yen, and segment loss was 272,399 thousand yen.

In the PCO business, we plan and manage academic conferences, scholarly meetings, and other events.

During the current interim consolidated accounting period, Mediproduce Co., Ltd. became a consolidated subsidiary, and the results of the business have been consolidated since July 1, 2026.

As a result, Net sales for the current interim consolidated accounting period were 18,457 thousand yen, and segment loss was 12,334 thousand yen.

In the HC business, we plan and sell cosmetics, eye shampoos, and other products.

As a result, Net sales for the current interim consolidated accounting period were 36,122 thousand yen, and segment loss was 44,684 thousand yen.

(Unit: Thousands of yen)

	Revenue	Operating loss (-)	Ordinary loss (-)	To shareholders of the parent company Attributable Interim net loss (-)	Per share Interim net loss (-)
current interim consolidated accounting period	491,981	(331,127)	(294,611)	(295,444)	11.42 yen

(Note) Since interim consolidated financial statements have been prepared from the current interim consolidated accounting period, no comparative analysis with the Previous interim consolidated accounting period has been conducted.

(2) Explanation regarding Financial position

(i) Financial Position

	End of current interim consolidated accounting period
Assets total (thousand yen)	1,463,230
Total liabilities (thousand yen)	840,689
Total net assets (thousand yen)	622,541
Equity ratio (%)	42.3
Net assets per share (Yen)	23.81

(Note) As interim consolidated financial statements have been prepared from the current interim consolidated accounting period, comparative analysis with the Previous consolidated fiscal year has not been conducted.

(Current assets)

At the end of the current interim consolidated accounting period, the balance of Current assets was 1,395,830 thousand yen. The main components were Cash and depositss of 1,186,852 thousand yen, Accounts receivable - trade of 21,024 thousand yen, Merchandise of 32,949 thousand yen, Work in process of 43,729 thousand yen, Prepaid expenses of 61,981 thousand yen, and Consumption taxes refund receivable of 34,454 thousand yen.

(Non-current assets)

The balance of Non-current assets at the end of the current interim consolidated accounting period was 67,399 thousand yen. The main components were Tools, furniture and fixtures of 19,866 thousand yen, Goodwill of 32,480 thousand yen, and Patent right of 4,203 thousand yen.

(Current liabilities)

At the end of the current interim consolidated accounting period, the balance of Current liabilities was 779,541 thousand yen. The main components were accounts payable - trade of 195,220 thousand yen, Short-term borrowings of 300,000 thousand yen, accounts payable - other of 61,276 thousand yen, and Contract liabilities of 143,495 thousand yen.

(Non-current liabilities)

The balance of Non-current liabilities at the end of the current interim consolidated accounting period was 61,148 thousand yen. The principal component was Long-term borrowings of 61,148 thousand yen.

(Net assets)

At the end of the current interim consolidated accounting period, total Net assets amounted to 622,541 thousand yen. The main components were Share capital of 869,396 thousand yen, Capital surplus of 853,396 thousand yen, Retained earnings of -1,104,381 thousand yen, and share acquisition rights of 4,129 thousand yen.

(ii) Cash flows

At the end of the current interim consolidated accounting period, cash and cash equivalents (hereinafter referred to as “funds”) amounted to 1,186,852 thousand yen.

The Cash flows and their respective factors as of the end of the current interim consolidated accounting period are as follows.

(Cash flows from operating activities)

Cash used in operating activities amounted to 101,765 thousand yen. This was mainly due to increases in Depreciation of 6,513 thousand yen, Amortization of goodwill of 1,709 thousand yen, changes in accounts receivable of 29,502 thousand yen, changes in Inventories of 166,583 thousand yen, changes in accounts payable of 140,114 thousand yen, changes in Consumption taxes refund receivable of 8,316 thousand yen and increases in Income taxes refund of 41,040 thousand yen, while there were decreases due to an interim net loss before income taxes and other adjustments of 294,611 thousand yen, changes in contract losses Provisions of 25,308 thousand yen, changes in accounts payable of 38,183 thousand yen, changes in Contract liabilities of 84,810 thousand yen, changes in Prepaid expenses of 41,993 thousand yen, changes in other Liabilities of 4,413 thousand yen and Income taxes paid of 5,078 thousand yen.

(Cash flows from investing activities)

Cash provided by investing activities was 29,460 thousand yen. This was mainly due to Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation of 30,496 thousand yen.

(Cash flows from financing activities)

Funds obtained from financing activities amounted to 289,468 thousand yen. This was mainly due to proceeds of 300,000 thousand yen from Short-term borrowings and Proceeds from issuance of share acquisition rights of 4,129 thousand yen, while there were Repayments of long-term borrowings of 14,661 thousand yen.

) Explanation regarding forward-looking information such as consolidated forecasts

The results for the current interim consolidated accounting period progressed as initially expected, due mainly to the recognition of milestone revenues under license agreements with overseas pharmaceutical companies and milestone revenues from existing agreements related to TLG-001. In addition, we continue to promote business development activities aimed at entering into new out-licensing agreements.

Our business model involves recognizing revenue from milestone payments, etc., associated with the progress of development programs for which contracts have been executed, as well as upfront payments associated with new out-licensing agreements concluded through business development activities relating to our research and development pipeline. Accordingly, our quarterly performance may fluctuate significantly depending on the progress of out-licensed development programs and the timing of contract execution.

As we made Mediproduce Co., Ltd. a consolidated subsidiary effective July 1, 2026, we have transitioned to consolidated financial results from the current interim consolidated accounting period. Accordingly, we are newly disclosing full-year consolidated forecasts for the fiscal year ending March 2027 in this earnings report.

Furthermore, there are no changes at this time to the full-year non-consolidated forecasts for the fiscal year ending March 2027 announced on May 14, 2026.

If it becomes necessary to revise the Forecasts in the future due to the timing of entering into license agreements, the progress of research and development, or other changes in the business environment, such revisions will be promptly announced.

(4) Material events, etc. related to the going concern assumption

Our Group has a business structure in which research and development investments precede the generation of revenues, and has recorded operating losses in the previous fiscal year and the current interim consolidated accounting period. As a result of these circumstances, events or conditions exist that may raise substantial doubt about the going concern assumption.

To resolve or improve this situation, our Group is steadily advancing development under existing license agreements and securing revenue opportunities, while also promoting alliance and out-licensing activities with domestic and overseas operating companies based on multiple research and development pipelines.

In addition, following the conversion of Mediproduce Co., Ltd. into a consolidated subsidiary effective July 1, 2026, we are working to expand our business domains, including the PCO and HC businesses, and to diversify and stabilize our revenue base. Furthermore, we are working to improve profitability and cash flow by clarifying the priorities of our research and development pipeline and optimizing research and development investments and other expenses in line with business progress. During the current consolidated fiscal year, we expect to achieve operating profitability by steadily advancing existing contracts and ongoing business development projects, while implementing appropriate cost controls.

In terms of funding, in addition to holding Cash and depositss1,186,852 thousand yen as of the end of the current interim consolidated accounting period, the Company has entered into overdraft agreements totaling 1,000,000 thousand yen, under which the outstanding borrowings as of the same date were 300,000 thousand yen and the undrawn amount was 700,000 thousand yen. Furthermore, on June 17, 2026, the Company issued the 8th through 10th share acquisition rights with Cantor Fitzgerald Europe as the allottee, thereby establishing a structure that enables it to raise additional funds in accordance with the future exercise status and other factors.

As a result of comprehensively taking these measures and funding plans into consideration, we have determined that no material uncertainty regarding the going concern assumption is recognized, as we expect to be able to secure the funds necessary to operate the business for at least one year from the end of the current interim consolidated accounting period.

2. Interim consolidated financial statements and major notes (1) Interim consolidated Balance sheet

(Unit: Thousands of yen)

	current interim consolidated accounting period (September 30, 2026)
Assets	
Current assets	
Cash and deposits	1,186,852
Accounts receivable - trade	21,024
Merchandise	32,949
Work in process	43,729
Prepaid expenses	61,981
Consumption taxes refund receivable	34,454
Income taxes refund receivable	4,275
Other	10,562
Total current assets	1,395,830
Non-current assets	
Property, plant, and equipment	
Buildings and structures	3,410
Accumulated depreciation	(495)
Buildings and structures, net	2,914
Tools, furniture and fixtures	139,931
Accumulated depreciation	(120,065)
Tools, furniture and fixtures, net	19,866
Total property, plant and equipment, net	22,781
Intangible assets	
Goodwill	32,480
Patent right	4,203
Software	1,002
Total intangible assets	37,687
Investments and other assets	
Long-term prepaid expenses	2,558
Other	4,372
Investments and other assets total	6,931
Total non-current assets	67,399
Total assets	1,463,230

(Unit: Thousands of yen)

	current interim consolidated accounting period (September 30, 2026)
Liabilities	
Current liabilities	
Trade payables	195,220
Short-term borrowings	300,000
Current portion of long-term borrowings	35,069
Accounts payable	61,276
Income taxes payable	5,027
Contract liabilities	143,495
Other	39,453
Total current liabilities	779,541
Non-current liabilities	
Long-term borrowings	61,148
Total non-current liabilities	61,148
Total liabilities	840,689
Net assets	
Shareholders' equity	
Share capital	869,396
Capital surplus	853,396
Retained earnings	(1,104,381)
Total shareholders' equity	618,412
share acquisition rights	4,129
Total net assets	622,541
Total liabilities and net assets	1,463,230

(2) Interim consolidated income and Statement of comprehensive income

(Unit: Thousands of yen)

	current interim consolidated accounting period (From April 1, 2026 To September 30, 2026)
Revenue	491,981
Cost of sales	379,160
Gross profit	112,821
Selling, general and administrative expenses	443,949
Operating loss (-)	(331,127)
Non-operating income	
Interest income	1,839
Recovery of previously written-off receivables	792
Subsidy income	35,519
Other	1,324
Total non-operating income	39,475
Non-operating expenses	
Interest expense	423
Foreign exchange losses	2,534
Total Non-operating expenses	2,958
Ordinary loss (-)	(294,611)
Interim net loss before income taxes (-)	(294,611)
Income taxes	833
Interim net loss (-)	(295,444)
Interim net loss attributable to owners of parent (-)	(295,444)
Comprehensive income	(295,444)
Interim Comprehensive income attributable to owners of the parent	(295,444)

(3) Interim consolidated Statement of cash flows

(Unit: Thousands of yen)

	current interim consolidated accounting period (From April 1, 2026 to September 30, 2026)
Cash flows from operating activities	
Interim net loss before income taxes and other adjustments (-)	(294,611)
Depreciation	6,513
Amortization of long-term prepaid expenses	257
Amortization of goodwill	1,709
Interest income and dividends income	(1,839)
Interest expense	423
Subsidy income	(35,519)
Changes in contract loss Provisions (- indicates a decrease)	(25,308)
Decrease (increase) in trade receivables	29,502
(Increase) decrease in inventories	166,583
Increase (decrease) in trade payables	140,114
Amount of increase or decrease in accounts payable (- indicates decrease)	(38,183)
Increase (decrease) in contract liabilities	(84,810)
Decrease (increase) in consumption taxes refund receivable	8,316
Decrease (increase) in prepaid expenses	(41,993)
Change in Other assets (- indicates an increase)	469
Change in Other liabilities (- indicates a decrease)	(4,413)
Other	(35)
Subtotal	(172,824)
Interest and dividends received	1,839
Interest paid	(2,261)
Subsidies received	35,519
Income taxes paid	(5,078)
Income taxes refund	41,040
Cash flows from operating activities	(101,765)
Cash flows from investing activities	
Purchase of property and equipment	(634)
Purchase of intangible assets	(402)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	30,496
Cash flows from investing activities	29,460
Cash flows from financing activities	
Proceeds from short-term borrowings	300,000
Repayment of long-term borrowings	(14,661)
Proceeds from issuance of share acquisition rights	4,129
Cash flows from financing activities	289,468
Effect of exchange rate change on cash and cash equivalents	(159)
Increase (decrease) in cash and cash equivalents	217,003
Cash and cash equivalents at the beginning of the period	969,849
Balance of cash and cash equivalents at the end of the interim period	1,186,852

(4) Notes to Interim Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes on significant changes in Shareholders' equity)

On July 17, 2026, we issued 175,438 new shares through a third-party allotment as consideration for the acquisition of shares of Mediproduce Co., Ltd.

As a result, Share capital and Capital surplus have each increased by 24,999 thousand yen.

(Application of accounting procedures specific to the preparation of interim consolidated financial statements)

Calculation of tax expense

For tax expenses, we reasonably estimate the effective tax rate after the application of tax-effect accounting to pre-tax Net income for the consolidated fiscal year including the current interim consolidated accounting period, and calculate tax expenses by multiplying pre-tax Net income or interim net loss before income taxes by such estimated effective tax rate.

However, when calculating income tax expenses using the estimated effective tax rate would result in a significantly unreasonable outcome, they are calculated by multiplying the statutory effective tax rate.

(Changes in accounting policies)

There are no applicable matters.

(Changes in accounting estimates)

Not applicable.

(Segment information, etc.)

1. Overview of Reportable Segments

For the six months ended September 30, 2026

Our Group primarily conducts business activities in the research and development of pharmaceuticals and medical devices, as well as in providing support for the operation of academic conferences, and has three reportable segments: the “R&D Business,” the “PCO Business,” and the “HC Business.”

The “R&D Business” engages in the research and development of pharmaceuticals and medical devices, as well as related licensing businesses. The “PCO Business” engages in the planning and operational support business for academic conferences and scientific meetings. In addition, the “HC Business” engages in the planning and sales business for cosmetics and eye shampoos.

2. Information on Net sales and loss amounts by reporting segment

(Unit: Thousands of yen)

	Reporting segments				Total	Adjustments (Note) 1	Amounts recognized in interim consolidated income and Statement of comprehensive income (Note) 2
	R&D Business	PCO business	HC Business	Total			
Revenue							
Net sales to external customers	437,906	17,952	36,122	491,981	491,981	-	491,981
Internal Net sales or transfer amount between segments	-	504	-	504	504	(504)	-
Total	437,906	18,457	36,122	492,486	492,486	(504)	491,981
Segment loss (-)	(272,399)	(12,334)	(44,684)	(329,418)	(329,418)	(1,709)	(331,127)

(Note) 1. The adjustment amount for segment loss of -1,709 thousand yen includes Amortization of goodwill (-1,709 thousand yen).

2.Segment loss is reconciled with operating loss in the interim consolidated statement of income and comprehensive income.

3. Information concerning Assets by reporting segment

During the current interim consolidated accounting period, the consolidated Assets increased as a result of acquiring all shares of Mediproduce Co., Ltd. on July 1, 2026 and making it a consolidated subsidiary.

As a result, the amount of Assets of the reportable segments for the current interim consolidated accounting period increased by 50,027 thousand yen in the "PCO Business" and 40,665 thousand yen in the "HC Business".

4. Matters Concerning Changes to Reportable Segments, etc.

The Company had previously classified its business as a single segment, the "Research and Development Business"; however, during the current interim consolidated accounting period, following the acquisition of shares of Mediproduce Co., Ltd. and its inclusion as a consolidated subsidiary, the Company reviewed its method of classifying business segments.
Accordingly, from the current interim consolidated accounting period, the reportable segments have been changed to "R&D Business," "PCO Business" and "HC Business."

5. Information concerning Impairment losses on Non-current assets or Goodwill, etc., by reporting segment

(Significant changes in the amount of Goodwill)

During the current interim consolidated accounting period, 34,190 thousand yen in Goodwill was recognized in connection with the acquisition of all shares of Mediproduce Co., Ltd. effective July 1, 2026, making it a consolidated subsidiary.
Additionally, the amount of Goodwill has been provisionally calculated because the allocation of the acquisition cost had not been completed as of the end of the current interim consolidated accounting period.
In addition, the Goodwill is not allocated to each reporting segment for management purposes.

(Significant Subsequent Events)

Not applicable.