

Cosmo Bio (TYO: 3386)

Medium-term Management Plan 2028 launched. To reach an ROE of 8%, expectations are placed on the accumulation of results.

Summary

◇ Cosmo Bio is a trading company specializing in the life sciences that upholds the objective of “contributing to the advancement of life sciences.” Founded in 1983 as a subsidiary of the former Maruzen Oil, it became an independent specialized trading company through an MBO. Approximately 80% of net sales are research reagents used at research facilities of pharmaceutical companies, universities, and research institutions. The company’s strengths are its high-quality customer base, its extensive procurement network that provides up to 10 million products and services from approximately 500 suppliers, including overseas suppliers, and its highly specialized personnel and their sales capabilities. In recent years, in addition to its purchasing and sales business, the company has been promoting measures to expand the intermediation of contract services, the sale of its own products, and the provision of its own contract services in Japan and overseas.

◇ **Stable growth in the domestic research reagent market and business issues:** The domestic market for life science research reagents is estimated at approximately 120 billion yen and has been growing steadily at an annual rate of about 1%. The company holds an approximately 5% share, competing with Japanese subsidiaries of foreign-affiliated reagent manufacturers, subsidiaries of major domestic chemical manufacturers, and independent trading companies. However, it has issues such as the risk of stagnation in the growth rate of the market, commercial rights risk (for example, the risk of losing commercial rights due to the reorganization of reagent suppliers through M&A), and foreign exchange risk (a time lag occurs before changes in yen-denominated purchase costs can be passed on to selling prices, with profit and loss tending to benefit in phases of yen appreciation and to be adversely affected in phases of yen depreciation).

◇ **Long-term vision “Co-creating value for the next generation through the power of life sciences” and five priority strategies:** Based on this recognition of issues as well, the company newly established its long-term vision as “Co-creating value for the next generation through the power of life sciences,” and while carrying forward the measures it has promoted to date, reorganized them into five strategies. Specifically, these are portfolio transformation, evolution, and strengthening of marketing functions; full-scale development of new businesses; strengthening of global sales; and optimization and strengthening of business operations. Through these initiatives, the company aims to achieve an ROE of 8% or more, reduce the cost of capital, and reach a PBR of 1x or more.

◇ **Medium-term Management Plan 2028:** The Medium-term Management Plan 2028, which follows the Medium-term Management Plan 2025 that ended in FY12/2025, was announced. The company aims to monetize the five priority strategies above and achieve net sales of 13.0-14.5 billion yen and an ROE of 5%-8% in FY12/2028.

◇ **FY12/2025 results:** Net sales were 10.76 billion yen (up 7.3% YoY), operating profit was 343 million yen (up 7.7% YoY), and net income attributable to owners of the parent was 337 million yen (up 28.6% YoY). Net sales exceeded 10 billion yen for the second consecutive fiscal year and achieved the plan. On the profit and loss side, although the gross profit margin improved while the USD/JPY exchange rate was unchanged YoY at 149 yen/USD, SG&A expenses increased due to human capital investment, the promotion of DX, office expansion, and other factors, and operating profit increased but fell short of the plan. Tariff effects also arose.

◇ **FY12/2026 company forecast:** Net sales are 11.40 billion yen (up 5.9% YoY), operating profit is 270 million yen (down 21.3% YoY), net income attributable to owners of the parent is 220 million yen (down 34.7% YoY), and the assumed exchange rate is 152 yen/USD. In addition to the assumption of yen depreciation, the forecast calls for an increase in revenue but a decrease in profit, driven by higher expenses from a larger headcount, stronger sales activity, and the reinforcement of internal management systems. Annual dividends per share are forecast at 50 yen, the same amount as in the previous fiscal year.

◇ **Stock price trend:** The stock price has continued on an upward trend since 2024. Recently, the announcement on November 13, 2025, titled “Successful development and manufacturing of the sweet protein ‘brazzein’ using the chicken egg bioreactor,” caused the stock price to surge from 1,100 yen to 1,400 yen. Since then, it has remained generally firm while also absorbing these financial results. The stock market is evaluating factors such as the trend of revenue growth, a profitable business structure, sound finances, low PBR, a dividend yield in the upper 3% range, and the commitment to achieving ROE of 8% and PBR of 1x, and the stock is in a phase where it reacts sensitively to positive developments. It is necessary to continue closely monitoring foreign exchange trends, but if the effects of the various initiatives begin to contribute to profit, a development in which PBR is aimed at 1x in earnest is likely to emerge.

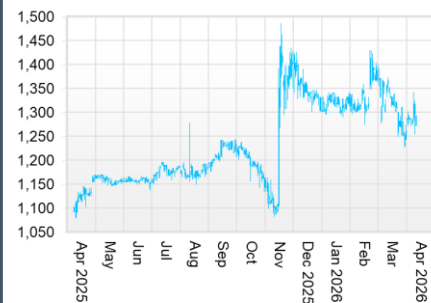
Basic Report

Pharmaceuticals and pharmaceutical wholesalers

As of April 13, 2026

Share price (4/9)	1,272 Yen
52weeks high/low	¥1,486/971
Avg Vol (3 month)	10.2 thou shrs
Market Cap	¥7.69 bn
Enterprise Value	¥4.29 bn
PER (26/12 CE)	32.8 X
PBR (25/12 act)	0.77 X
Dividend Yield (26/12)	3.9 %
ROE (25/12)	3.7 %
Operating margin (25/12)	3.2 %
Beta (5Y Monthly)	0.17
Shares Outstanding	6.048 mn shrs
Listed market	TSE Standard

Share price performance



%	1M	3M	12M
Share price	-3.34	-3.93	16.8
Japan TSE TOPIX	4.59	6.42	59.1

Points of interest

A bio-focused trading company that upholds the objective of “contributing to the advancement of life sciences.” As one of the major providers of reagents for life science research, it offers up to 10 million items from approximately 500 suppliers worldwide to meet researchers’ diverse needs. If the results of the priority strategies in the Medium-term Management Plan 2028 begin to appear, and if the high-value-added enhancement and globalization of its trading company functions, as well as the strengthening of its manufacturing/development and service functions through new businesses progress, a development in which PBR exceeds 1x can be expected based on expectations for improvement in ROE.

This report (financial update) has been prepared at the request of Cosmo Bio. For details, please refer to the Disclaimer on the last page.



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Key financial data

(Unit: mn, yen)

	2020/12	2021/12	2022/12	2023/12	2024/12	2025/12	2026/12
[Statements of income]							Company forecast
Net sales	8,092	9,231	9,553	9,340	10,037	10,766	11,400
Cost of sales	4,940	5,572	6,112	6,090	6,708	7,064	
Gross profit	3,152	3,658	3,440	3,249	3,329	3,702	
SG&A expenses	2,399	2,609	2,624	2,729	3,010	3,359	
Operating income	752	1,048	816	519	318	343	270
Ordinary income	817	1,099	790	653	364	489	340
Net profit before taxes	1,008	1,099	790	653	369	504	
Net profit attributable to owners of the parent	674	737	517	442	262	337	220
[Balance Sheets]							
Current assets	6,756	7,310	7,136	7,102	7,229	7,441	
Cash equivalents and short-term securities	3,259	3,555	3,036	3,025	2,393	2,946	
Non-current assets	2,883	2,761	3,176	3,770	4,493	5,220	
Total assets	9,640	10,072	10,313	10,872	11,723	12,662	
Total liabilities	1,779	1,752	1,695	1,846	2,167	2,706	
Total net assets	7,861	8,319	8,617	9,026	9,555	9,955	
Equity ratio (%)	76.3%	77.3%	78.1%	77.7%	76.5%	74.0%	
[Statements of cash flows]							
Cash flow from operating activities	803	648	284	736	241	595	
Cash flow from investing activities	42	-145	-291	-758	-217	43	
Cash flow from financing activities	-97	-420	-236	-201	-479	-283	
Increase/decrease in cash and cash equivalents	743	95	-218	-210	-433	-1	

Source: Omega Investment from company materials



Company profile

Cosmo Bio is a trading company specializing in the life-science field, focusing on reagents, with the Group’s objective of **“Contribute to the advancement of life sciences”**. Its main business is purchasing and wholesale research reagents, equipment, contract services and clinical reagents related to life sciences. Reagents’ market size is different from those of diagnostics and therapeutics. Still, they are essential products and services indispensable for life science researchers worldwide to develop new drugs.

History

The company’s history can be traced back to 1983 when it was founded as Maruzen Oil Biochemical Co., Ltd as a subsidiary of the former Maruzen Oil (now Cosmo Oil) for basic biotechnology research reagent business. The company subsequently renamed itself to Cosmo Bio Co., Ltd. (1985) following a merger and restructuring of the parent company. In the same year, the Company began selling equipment for bio-research. In September 2000, the Company became independent from Cosmo Oil through an MBO. In August 2004, it established Cosmo Bio USA, Inc. in San Diego, California, one of the world’s leading bioresearch centers and the location of many bio-ventures. It was made a base to search for reagents and promote the export of Japanese-made reagents (became a consolidated subsidiary in January 2018) . In September 2005, the Company was listed on the JASDAQ market. Subsequently, the Company expanded its operations by investing in and merging with companies in related fields. In December 2006, Primary Cell Co., Ltd. became a subsidiary, and Cosmo Bio entered the manufacturing business. In March 2010, BM Equipment Co., Ltd. was consolidated as a trading subsidiary that imports equipment and consumables for life science research. In October 2017, the Company relocated and consolidated its Sapporo business facilities and opened the Sapporo Office, establishing a structure to reinforce its recent focus on contract services and manufacturing and sales. (See also the Alignment Chart on p. 27)

Breakdown of most recent sales

Research reagents and Equipment for 79.5% and 20.5% of the Company's FY12/2025 sales of 10,766 million yen, respectively.

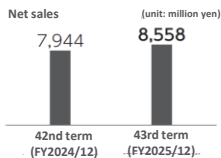
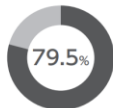
Breakdown of sales by product

Sales by product category

◆ Research reagents Sales 8,558 million yen YoY 7.7% ↗

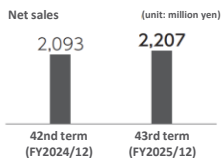
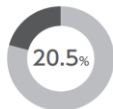
*Including drug discovery research support and contract services, as well as clinical diagnostic reagents

Percentage of net sales



◆ Equipment Sales 2,207 million yen YoY 5.5% ↗

Percentage of net sales



*Reagents: according to the Japan Reagents Association, reagents are legally defined as ‘chemical substances used for the detection or quantification of substances by chemical methods, experiments in the synthesis of substances or for physical properties’.

The general concept is also defined as “chemicals used for measurement standards, detection and confirmation of substances, quantification, separation and purification, synthesis experiments and measurement of physical properties in testing and research cases, such as inspection, testing, research and experiments, in the form of supply suitable for small quantities with guaranteed quality for the respective purpose of use”. More specifically, they are agents used for experiments, research, and measurements and include chemical substances, components extracted from the body of a living organism (proteins, cells, nucleic acids, etc.), and solvents used to react with them. Reagents for life science are mainly extracted from living organisms or synthesised from such substances and are supplied in small quantities, such as several tens of micrograms.

On the other hand, diagnostic reagents are drugs doctors use in various tests to diagnose health or disease conditions. They are also known as in vitro diagnostic drugs or clinical diagnostic reagents and are distinguished from reagents.

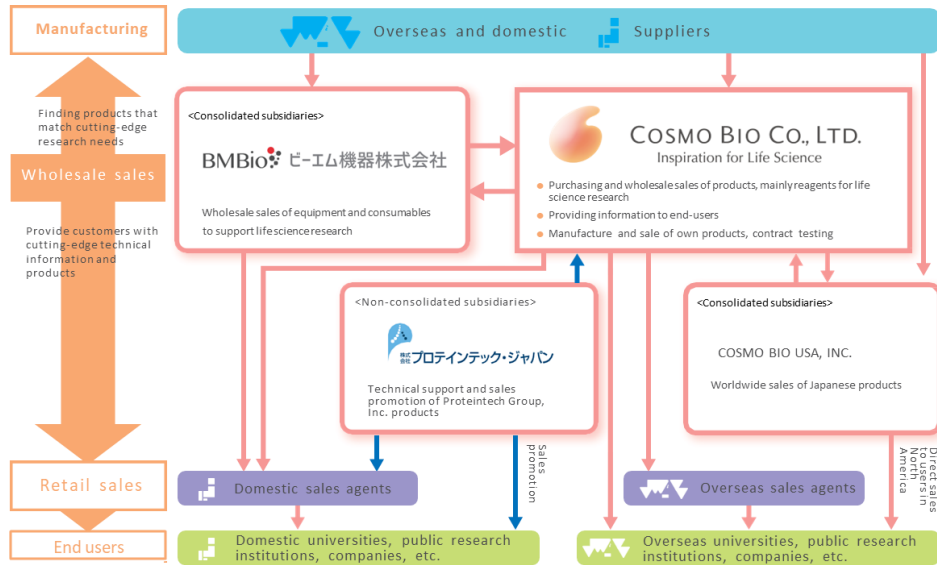
Generally, we take therapeutic drugs (ethical drugs) to cure diseases. They are administered to treat various diseases and are researched, developed, manufactured, and marketed by major national and international pharmaceutical companies.

The domestic market for life science research reagents is around 120 billion yen (2021, company data), the market size for diagnostics is about 800 billion yen (2021, Japan Association of Clinical Reagents Industries), and the market for therapeutic drugs (ethical drugs) is approximately 9.4 trillion (2021, IQVIA) .

Company's group

The company's group comprises Cosmo Bio (the Company), two consolidated subsidiaries: BM Equipment and Cosmo Bio USA, Inc., and the non-consolidated subsidiary Proteintech Japan Co., Ltd. For their respective businesses and product flows, see the diagram below. BM Equipment and Proteintech Japan are located on the same floor in the head office in Koto-ku, Tokyo, where Cosmo Bio is based, to facilitate communication as a group.

Overview of the Company's group and product flow



Source: Company materials

In addition to Koto-ku, Tokyo, mentioned above, where the Company's head office is located, the Company's other operating bases include the Sapporo Office and the Shinsuna Logistics Centre. As mentioned in history, the Sapporo Office (Otaru, Hokkaido) was established in October 2017 by relocating and consolidating the Company's Sapporo area business facilities. The facility is responsible for contract services and manufacturing and sales, which are the Company's growth areas of focus.

The Shinsuna Distribution Centre was opened in January 2013. The company runs a system to hold an inventory of hot-selling products (the Group's products and inventory on its BS at end-December 2025 amounted to about 1 billion yen) and ship them. The company can respond precisely to the needs of pharmaceutical companies, universities, and research institutions, which often require prompt deliveries.

Sapporo Office



Warehouses where the Shinsuna Logistics Centre is in



Source: Company materials, etc.

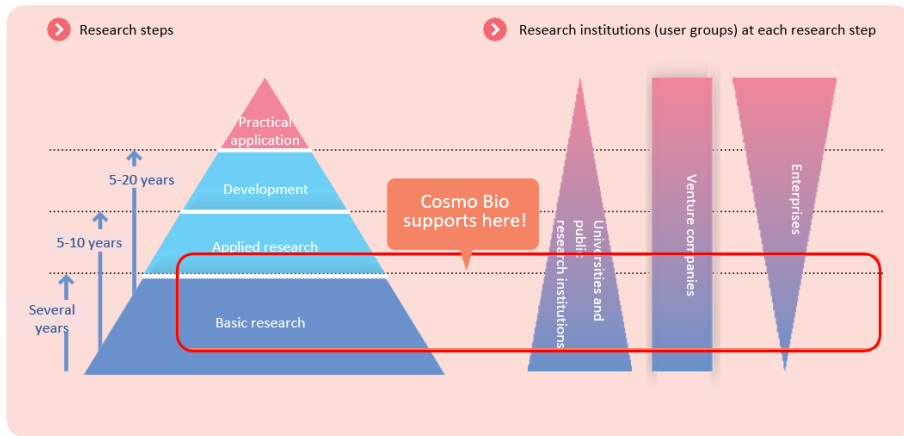
Business overview

Provides essential reagents and equipment for life science researchers worldwide

The company provides life science researchers worldwide with research reagents that are integral to the basic research process. The development of pharmaceuticals usually takes a long period, over ten years, involving basic research, applied research, development and clinical trials. In recent years, the development of antibody drugs and the linkage with IT, such as in silico (including the application of quantum computers to accelerate the process), are expected. Still, steady research activities in the research field are necessary.

The reagents and equipment provided by the Company are essential items in basic research at pharmaceutical companies, universities, and research institutions, and demand is expected to grow steadily to ensure a stable and constant profit margin.

Life science research and User demographic



Source: Company materials

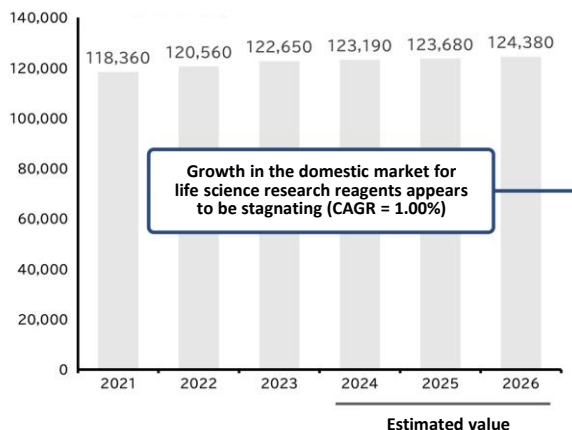
Japanese life science research reagents market

The domestic market for life science research reagents has grown steadily at an average annual rate of about 1% to date, and its market size is estimated at approximately 120 billion yen.

The market shares by operators are shown in the chart on the right below. Japanese subsidiaries of reagent companies in North America and elsewhere and group companies or business units of major Japanese chemical manufacturers account for a certain share. Two independent specialist trading companies, including the Company, are also in the Top 10, and their share is estimated to be around 5%. Although competition between the companies is intense, each has its own areas of specialisation, and they can secure a certain level of sales and profits.

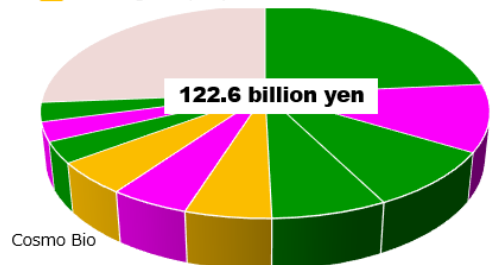
Japan's life science research reagents - market size and trends

Market size trends (unit: million yen)



Japan's life science research reagents - players and market share

- 1 Japanese subsidiaries of foreign companies
- 2 Subsidiaries and business units of major Japanese manufactures
- 3 Trading company



Source: Yano Research Institute

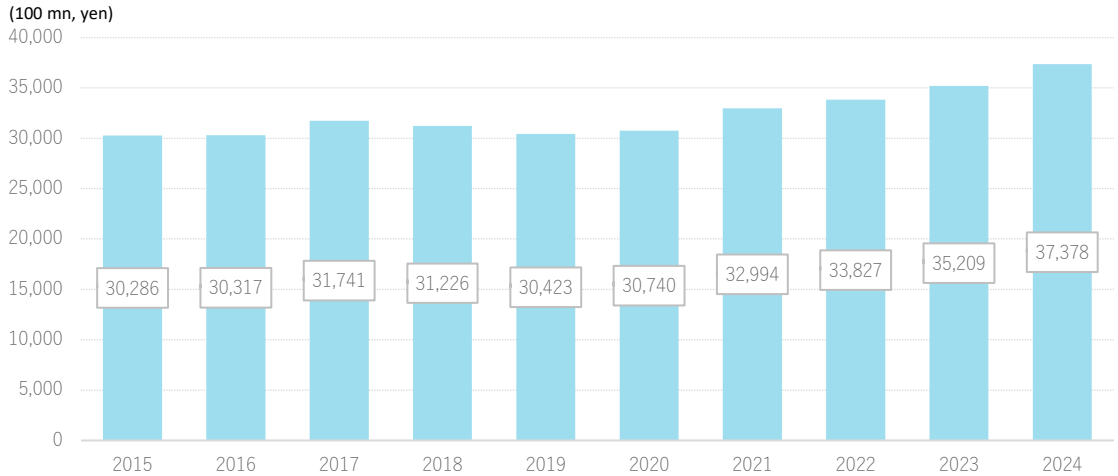
Source: Company materials



Next, we examine the situation on the user side of reagents. As already stated, customers for reagents are research facilities in the life sciences field, such as pharmaceutical companies, universities, and research institutions.

First, according to the Ministry of Internal Affairs and Communications' "2025 Science and Technology Research Survey," trends in life sciences research expenditures are as follows. In FY2024, such expenditures were 3.7 trillion yen and have been increasing steadily. This is expected to support the growth of the market for life science research reagents.

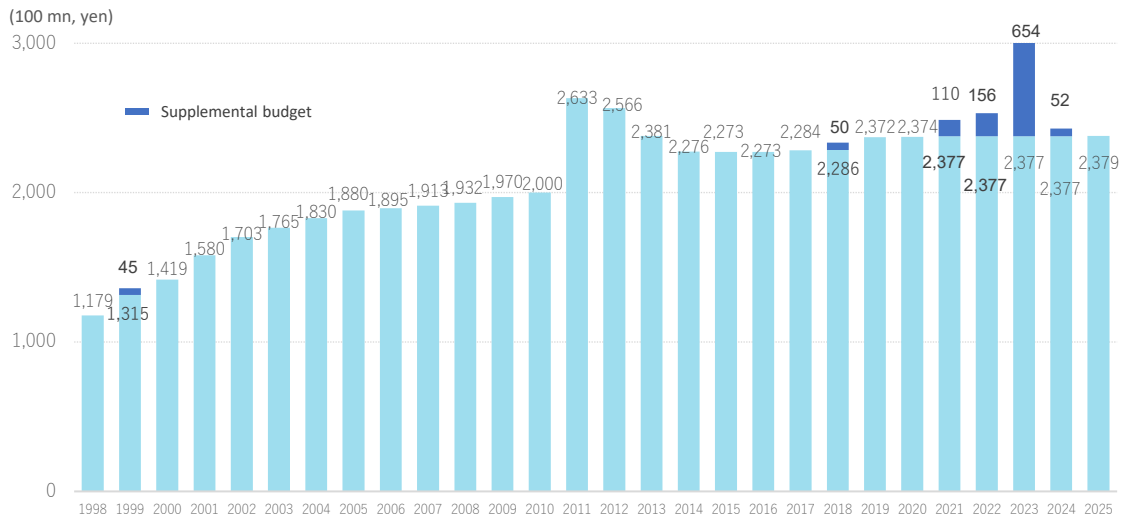
Trends in research expenditures for life sciences



Source: Prepared by Omega Investment based on Overview of the Results of the 2025 Science and Technology Research Survey, Ministry of Internal Affairs and Communications

Next, trends in Grants-in-Aid for Scientific Research at Japanese universities and educational institutions are as follows. It should be noted that growth has recently been somewhat sluggish and that there are phases in which rising utility costs put pressure on research site budgets, but the underlying trend remains firm. Accordingly, the market for life science research reagents is experiencing stable growth.

Trends in Grants-in-Aid for Scientific Research



Source: Prepared by Omega Investment from the Ministry of Education website and other sources.



The range of products and services offered by the Company

The company introduces as many as 10 million cutting-edge items from more than 500 suppliers worldwide, adds its unique value, and provides them to life science researchers through approximately 200 distributor locations. With the purchasing and sales business of this trading company as its core, it envisions expansion into contract service intermediation, the cultivation and expansion of manufacturing and sales, in-house contract services, and overseas expansion.

1. life sciences trading business

Introducing state-of-the-art products from around the world and providing them to researchers involved in basic research.

(1) Research reagents

General purpose reagent

Antibodies, hormones and other biological substances, media additives, chemicals, etc.

Application reagent

Kits used in genetic analysis, protein expression and other research, and kits for the detection and quantification of biological substances and environmental contaminants.



(2) Research equipment, instruments, and consumables

Research equipment and instruments

Gel imaging equipment, gene transfer equipment, PCR equipment, ultrasound disruption equipment, etc. used in bioresearch.

Consumables

Pipette tips, PCR tubes, cell culture petri dishes/plates, gloves, etc.



(3) Drug discovery research support and contract services

Drug discovery research support

Analysis essential for drug discovery, such as drug candidate discovery, target discovery and biomarker analysis, on behalf of clients.

Other contract services

Measurement of the activity of test substances and the creation of custom products according to researcher's requirements.

(4) Export of research reagents and equipment

The US subsidiary Cosmo Bio USA plays a central role.

2. life science-related manufacturing and development operations

Development and manufacture of own products and provision of contract services, in collaboration with universities and other research institutions.

(1) Primary cultured cells and other reagent production and contract testing

Production and sale of cells that cannot be replaced by imported cells, provision of contract services using cells, etc.

In addition to imported cells, development and production of reagents that are not available on the market, reflecting the demands of researchers.

Cell/cell culture products

Adipose tissue-related, bone, cartilage and tooth-related, pancreas-related, liver function-related, cardiovascular-related, immune-related,

and mesenchymal stem cells, feeder cells, tumour cell lines, macrophage-related, coating reagents, etc.

Assay kit related

Various measuring, staining and detection/purification kits, etc., including neuro/dementia-related, macrophage/immunity-related, exosome-related, anti-glycation and anti-ageing-related.

Bioresearch equipment

Constant temperature transport containers, aluminium block and mat heat insulation devices, anti-condensation glass plates, etc.

Contract services

Gut flora analysis, tear fluid analysis services, cell assays, etc.

Product development in collaboration with research institutions

Development of own-brand products in collaboration with research institutions with superior technology and know-how.

(2) Custom peptide synthesis & antibody production services

Custom synthesis of peptides with sequences that meet researchers' requirements.

Providing products and services that support not only basic research at universities and other institutions but also drug discovery by pharmaceutical companies. Additionally, the Company offers contract services for antibody production using this peptide as a material (antigen).

Custom peptide synthesis

Peptide synthesis, including AQUA-grade peptide design and synthesis services.

Antibody production service

MODELAGON epitope design service, polyclonal antibody production, monoclonal antibody production, etc.

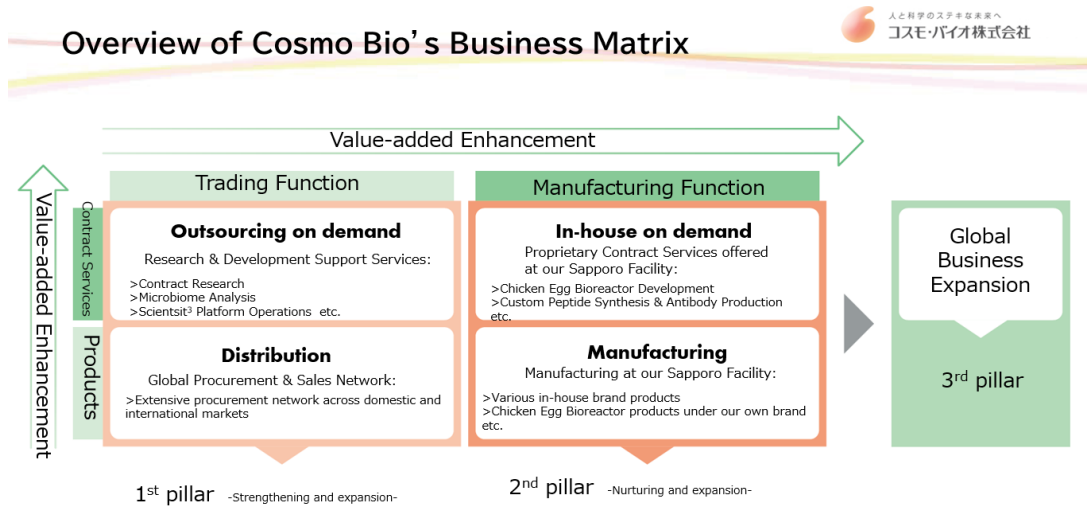
(3) Protein production and contract manufacturing using chicken egg bioreactors

Commercialized a technology to produce large quantities of value-added functional proteins in genome-modified chicken eggs. In July 2019, the Company started a contract manufacturing business to produce and purify large quantities of proteins required by users and deliver them to them.



Business overview matrix of the company

The company's business overview can be organized as follows.



Source: Company materials



Corporate uniqueness/strengths

Strong relationships of trust with clients and suppliers: In research and development, where reagents are used, a single reagent is rarely used in large quantities. A variety of reagents in microgram quantities are required at each research level. The company is attentive to diverse needs based on 40 years of building trusting relationships with clients and solid relationships with suppliers of state-of-the-art reagents, mainly in North America.

Providing state-of-the-art information in the life-science field: As a specialist life sciences trading company, in addition to the information-gathering capabilities of its head office, the Company, in cooperation with COSMO BIO USA, INC, also exhibits and participates in various bio-related events, providing cutting-edge information in the life sciences sector to anticipate the needs of its clients.

Responding to user needs by manufacturing and developing in-house products: In addition to its principal business as an importer and trading company, it manufactures and sells cells that cannot be replaced by imported cells and provides contract services using cells. To achieve further growth, the Company plans to focus on the manufacture and sale of its own products and the provision of contract services.

Accumulation and possession of various know-how related to the reagent business: Products in the life sciences sector, especially those related to reagents, require different knowledge and know-how than the import and export of ordinary products. Many of the products handled by the Company need to comply with various laws and administrative guidance, such as the Pharmaceutical and Medical Device Act (Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices), the Poisonous and Deleterious Substances Control Act and the Narcotics and Psychotropics Control Act. These laws vary from country to country, and knowledge and information on the differences between countries are also important. In addition, some reagents are of animal origin and are subject to animal quarantine. Furthermore, some reagents, such as proteins, nucleic acids, and cells, are of biological origins. Appropriate temperature control is required, such as packing dry ice during international transport procedures. The company has accumulated such know-how and expertise and regards them as one of its strengths.

Business issues (risk factors)

-Risk of deceleration in the growth rate of the domestic market for life science research reagents: Against the backdrop of the maturity of the domestic market, sluggish growth in the researcher population, restraint on increases in public R&D expenditures and “selection and concentration,” and the commoditization of reagents and intensifying price competition, market growth has been tending to stagnate, and there is a risk that this will continue.

-Commercial rights risk: Of the company’s 500 suppliers, approximately 400 are overseas (mainly in North America), and there is a risk that management rights of these suppliers could be transferred through M&A, potentially resulting in the company losing its commercial rights in Japan. Situations may also arise in which overseas suppliers build their own sales networks in Japan or switch to competing companies.

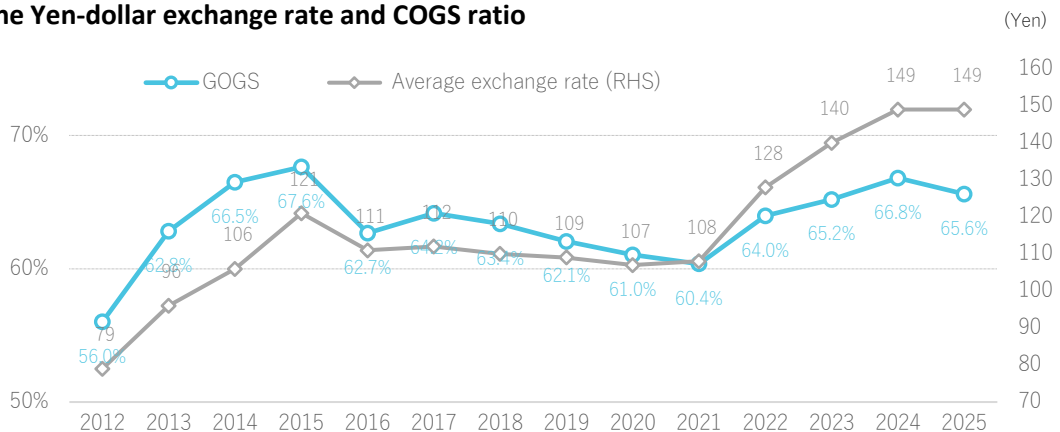
-Commercial rights risk: Of the Company's more than 500 suppliers, 400 are overseas, mainly in North America. If the management rights of these companies were to change hands through M&A, the Company could lose its commercial rights in Japan. Overseas suppliers could also independently build up their own sales networks in Japan or switch to competing companies.

-Exchange rate risk: Approximately two-thirds of the Company's purchases are in US dollars, so the cost of sales rises and falls with exchange rate fluctuations. Two-thirds of the Company's purchases are in US dollars. Based on internal policy, the Company makes forward exchange contracts within a certain range of actual demand. Still, when the yen suddenly weakens, the cost of sales rises sharply as the price increase is delayed, which significantly impacts business performance. (See the figure below)

-Competitive risk: There is also intense competition within the industry in the domestic market.

-Regulatory risk: Some of the Company's products require compliance with various laws and regulations. An accident or other event could result in a violation of the law, and if these laws and regulations are revised, new measures will be required. Recent changes in tariff policies are also a risk factor.

The Yen-dollar exchange rate and COGS ratio



Source: Omega Investment from company materials

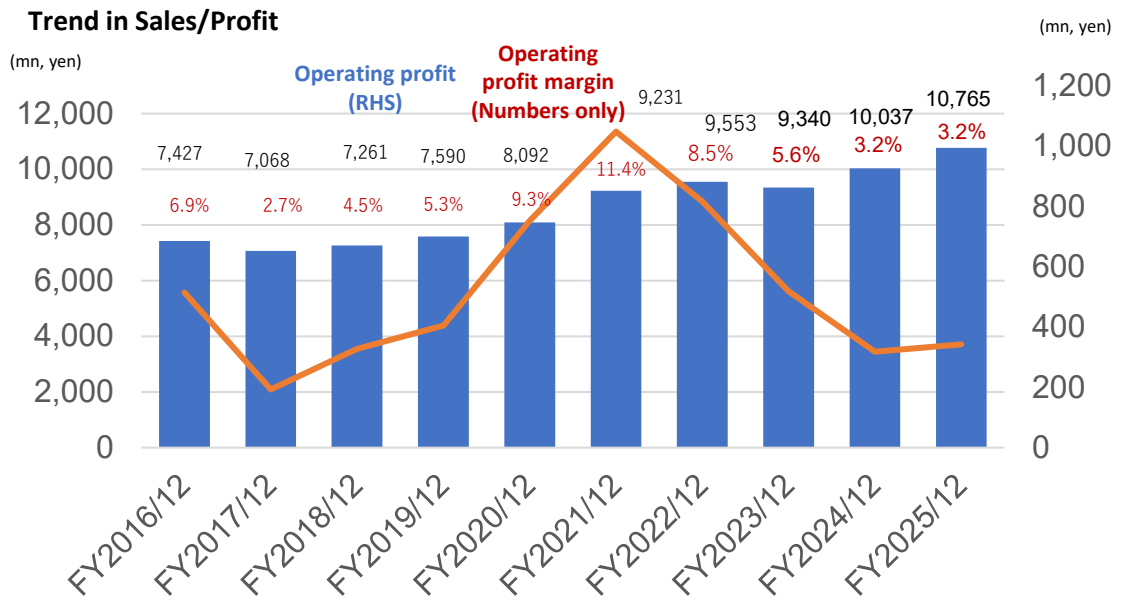


Earnings trend

The Company's long-term financial performance is reviewed. Sales have generally risen steadily due to the steady market expansion mentioned earlier and the Company's precise business development. In terms of profits, the Company has been profitable since its establishment, providing investors with some degree of reassurance.

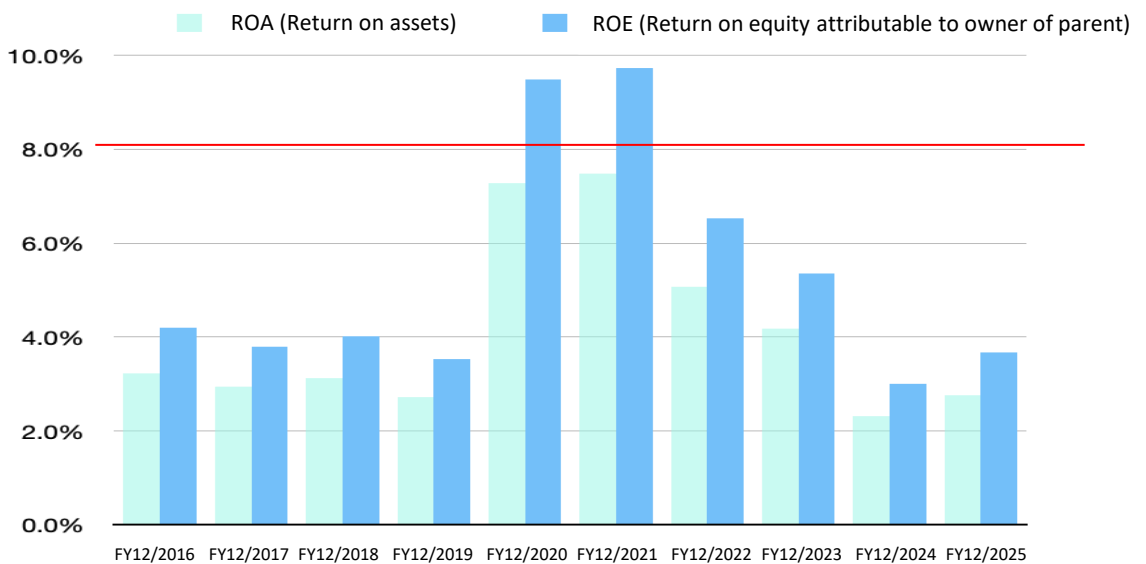
However, as shown in the graph below, operating profit has fluctuated between 200 million yen and 1 billion yen and is not trending upward. Because the company handles many imported products, it has a structure in which depreciation of the yen negatively affects profit and loss, and, more recently, U.S. tariff policy has become a factor putting pressure on gross profit. In addition, human capital, DX, and strategic investments have increased in recent years, and the SG&A ratio has also been rising. As a result, the operating profit margin has fluctuated between 2% and 11% and has recently been trending downward.

As a result, ROA and ROE have also fluctuated widely, and in recent years, ROE has failed to meet the 8% target.



Source: Omega Investment from company materials

Trend in ROA/ROE



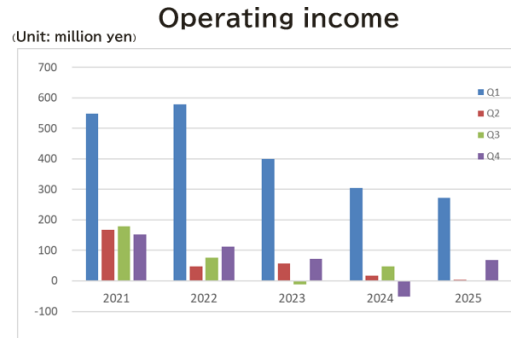
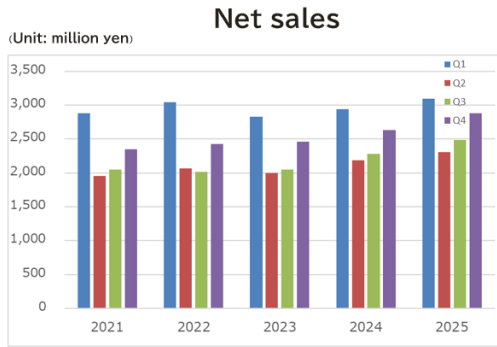
Source: Omega Investment from company materials



It should also be noted that, because many of the company's customers have fiscal year-ends in March, the company's revenue tends to be weighted toward the January-March period (its first quarter) in both net sales and profit.

Sales/Profit by segment (Quarterly basis)

Sales/Profit by Segment (Quarterly basis)



【Sales/profit structure】

Traditional quarterly sales figures show that sales are highest in Q1. In recent years, this trend has slowed due to the ability to carry over a portion of the government budget.

Traditional quarterly operating income figures show that incomes are highest in Q1 and then decrease thereafter as sales trends and sales activity increase.

Trends in the average exchange rate (yen/dollar)

2021	2022	2023	2024	2025
108yen	128yen	140yen	149yen	149yen

Source: Company materials

Announcement of the “Long-term Vision” and “Medium-term Management Plan 2028”

The company completed “Medium-term Management Plan 2025” with FY12/2025 and announced its “Long-term Vision” and “Medium-term Management Plan 2028” in February 2026.

Review of “Medium-term Management Plan 2025”

First, we review the progress of “Medium-term Management Plan 2025,” which covers FY2023 through FY2025, and “Measures toward achieving management that is conscious of capital costs and stock price,” announced in August 2024. Put simply, this can be summarized as follows:

- Recognition of the issues and the measures taken was appropriate
- Initiatives achieved steady results on the qualitative side, and net sales also achieved the target
- However, profits were under pressure because yen depreciation and U.S. tariffs had adverse effects, and expenses for new businesses and organizational reinforcement were incurred before the effects of these initiatives began to appear.
- As a result, ROE also declined.

Mid-term Management Plan 2025 Initiatives



1. Establishing New Business Foundations

- Scientist³ platform (Matching platform for contract services) is ready for launch.
- Capital investment for the full-scale rollout of the Chicken egg-based bioreactor business.
- Strategic and opportunistic investment in domestic biotech ventures to facilitate business alliances and market expansion.

2. Strengthening Trading & Distribution Capabilities

- Identification of priority markets/products by the new Marketing Department, with integrated execution of sales activities.
- Expanding global reach by integrating MBL products into the sales portfolio.



3. Enhancing Manufacturing Capabilities

- Implementation of the ChromaJean platform for peptide production(Digitalizing manufacturing processes)
- Establishment of a Quality Control (QC) system
- Establishing novel antibody production technology (BestAb Carrier)



4. Maximizing Corporate Value




- Strategic initiatives focused on capital efficiency and stock price
- Advancing ESG and sustainability initiatives (e.g., eco-friendly packaging)

Source: Company materials

Performance during Mid-term Management Plan 2025



Unit: Million yen
Figures in parentheses
indicate % of target

	2023	2024	2025	
Net Sales	9,340 (95.3%)	10,037 (102.4%)	10,766 (100.6%)	
Operating Income	519 (86.7%)	318 (81.7%)	343 (70.0%)	
ROE	5.4%	3.0%	3.7%	

- Steady Sales growth
- Net sales exceeded JPY 10 billion in FY2024

- Operating income and ROE both show a downward trend
- Profits were pressured by the continuous weakening of the Yen and U.S. tariff policies

- Results were also impacted by strategic investments in new businesses and structural reforms for future profitability

Source: Company materials



Factors for Decline in Operating Income/ROE and Actions

① External Factors: Persistent Yen depreciation and U.S. tariff policies

Action: Expand global sales with a focus on Europe and Asia to build a geographically balanced portfolio

② Internal Factors: Investments for long-term growth

Action: Accelerate investment in new businesses (e.g., Chicken-Egg Bioreactor), strategic hiring to bolster marketing, and various DX(Digital Transformation) initiatives

Under Mid-term Management Plan 2028, we aim to improve profitability by addressing the challenges in ① and maximizing the returns from the strategic investments in ②.

Source: Company materials

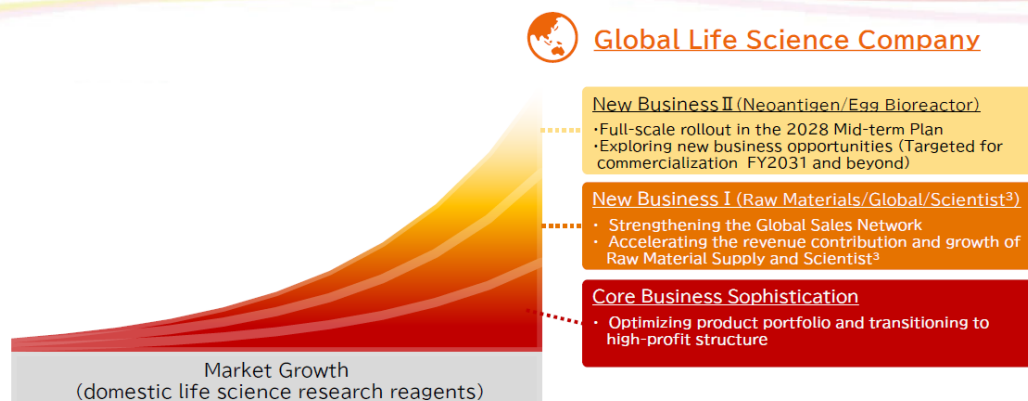
“Long-term Vision” and “Medium-term Management Plan 2028”

Next, we review the “Long-term Vision” and “Medium-term Management Plan 2028” presented this time.

Long-term Vision

As its “Long-term Vision,” the company newly set forth “Co-creating value for the next generation through the power of life sciences.” It also declared that it will carry forward the various measures of the “Medium-term Management Plan 2025” and aim to transform itself from a “Japanese Distributor” into a “Global Life-Science Company.” This policy strongly reflects awareness of the company’s issues mentioned earlier, particularly the risk of deceleration in the growth rate of the domestic market for life science research reagents and foreign exchange risk.

Strategies and Vision Based on Market Trends



Aiming for growth significantly exceeding market trends through the dual pillars of core business sophistication and new business expansion.

Source: Company materials

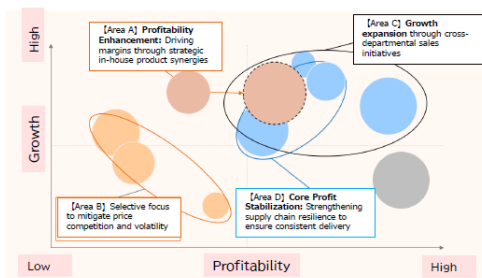
Five priority strategies

Next, five priority strategies for realizing the long-term vision are presented. It can be said that these are a reorganization of conventional strategies, carried forward.

Specifically:

- 1. Portfolio transformation:** continuously discover and supply high-value-added products
- 2. Evolution and strengthening of marketing functions:** make broad use of data-based marketing by utilizing the Marketing Department established in 2024
- 3. Full-scale development of new businesses:** accelerate growth through the full-scale development of new businesses such as Scientist3 (a contract service matching platform for researchers), the chicken egg bioreactor (a low-cost, mass-production technology for useful proteins using chicken eggs), and neoantigens (manufacture and supply of neoantigen peptides used in cancer immunotherapy), through the strengthening of manufacturing/development functions and service functions
- 4. Strengthening global sales:** seek to transform the current U.S. sales structure for Japanese products into one that conducts global procurement and sales. As a result, this will also reduce foreign exchange risk.
- 5. Optimization and strengthening of business operations:** optimize and strengthen human resources, IT, and finance.

Strategy ①: Portfolio Transformation



To cultivate a portfolio with higher profitability and growth potential, we are leveraging market trends and proprietary data to strategically broaden our product offerings in targeted research sectors, manufacturers, and catalog segments.

Strategic Objectives

- **Establishing a Dynamic Portfolio Management System:** We aim to consistently integrate high-margin, high-growth brands and products into our portfolio, following the success of our exclusive domestic partnership with Proteintech Group.
- **Maximizing Profitability and Customer Value:** We aim to elevate overall corporate performance and provide superior value to our clients through optimized product selection.

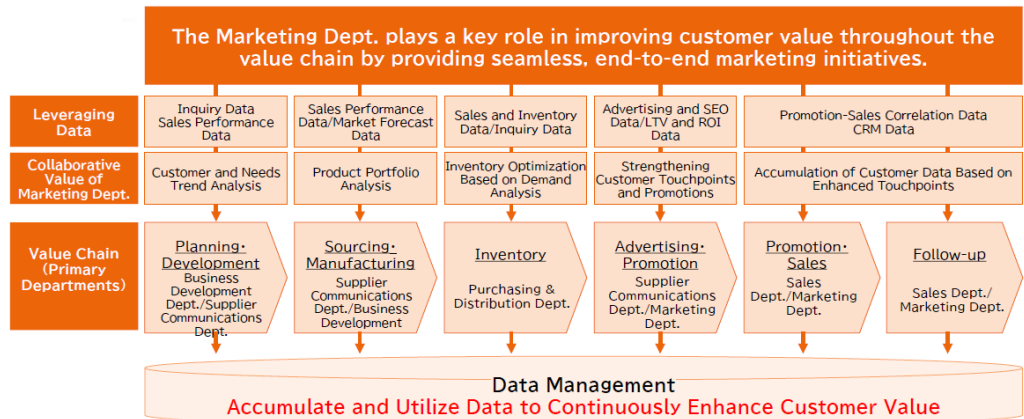
Key Strategies

- **Cross-functional Collaboration and Data Utilization:** Leveraging cross-functional synergies between Marketing, Supplier Communications, and Sales Dept. to identify emerging suppliers and boost core product sales using advanced AI and market data analytics.
- **Strategic Growth in High-Profit Sectors:** To capture higher margins, we will drive expansion of our proprietary product lines and strategically pursue business alliances and M&A.

*Since 2016, we have held the exclusive distribution rights in Japan for Proteintech products through our joint venture, Proteintech Japan Co., Ltd.

Source: Company materials

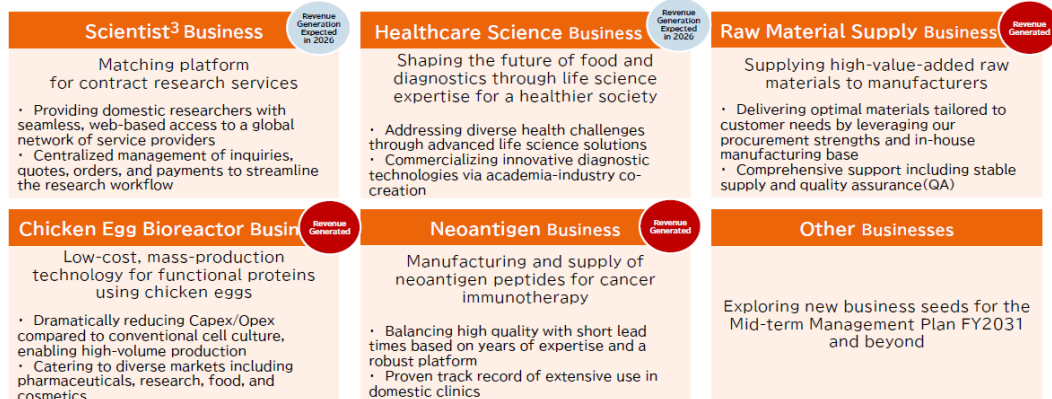
Strategy ②: Evolving and Strengthening Marketing Functions



Source: Company materials

Strategy ③: Full-scale Expansion of New Businesses

In addition to our core reagents and equipment trading business, we are driving exponential growth by expanding into the following new businesses, strengthening our manufacturing, R&D, and service capabilities.



Source: Company materials

Strategy ③: Full-scale Expansion of New Business - Scientist³

Scientist³ cube

Scientist³: Contract Research Service Matching Platform Connecting Global Suppliers and Japanese Researchers



Future Outlook:

- Grow registered users using our customer base and supplier network
- Expand platform features and improve matching accuracy
- Establish a market-leading position as Japan's premier contract research service platform by 2028

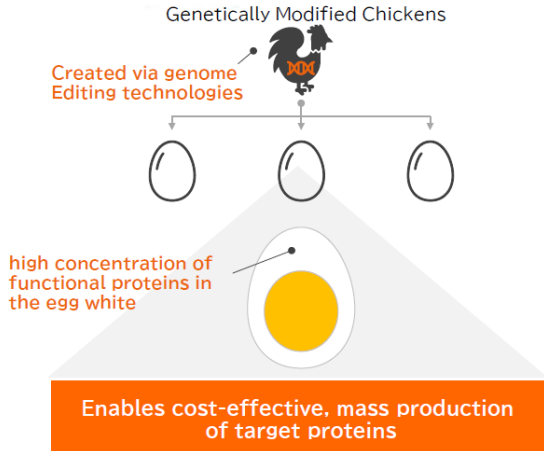
Source: Company materials



Strategy ③: Full-scale Expansion of New Business - Chicken Egg Bioreactor



Chicken Egg Bioreactor Business: Overview & Features



1 Proprietary Genetic Modification Technology

Developed in collaboration with AIST and NARO
Successfully produced genetically modified chickens carrying genes for target proteins

2 High-Yield Protein Production

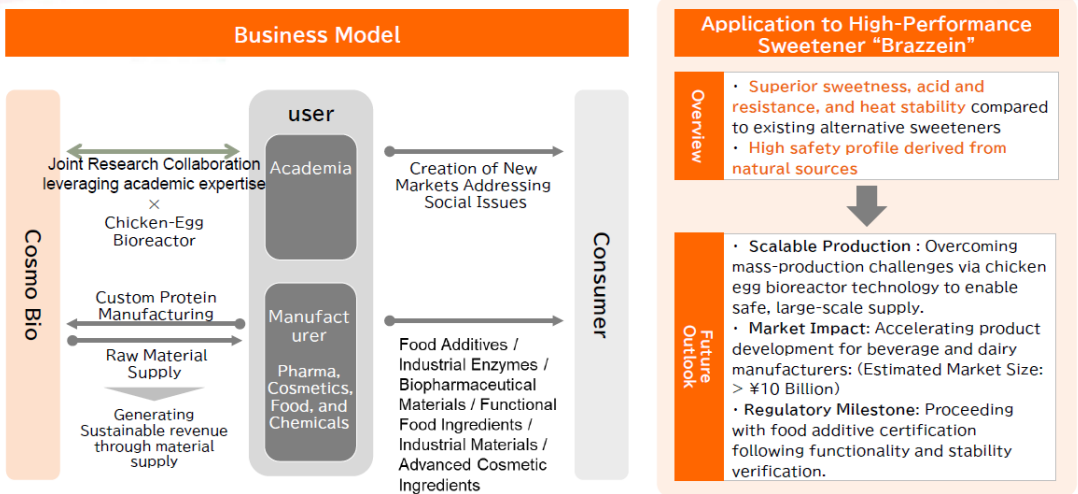
Chicken's high egg-laying capacity produces eggs daily containing recombinant proteins with structures and functions similar to human proteins

3 Low-Cost Production

Unlike other production methods (cell culture or genetically engineered organisms), enabling scalable production in standard poultry facilities using established rearing techniques

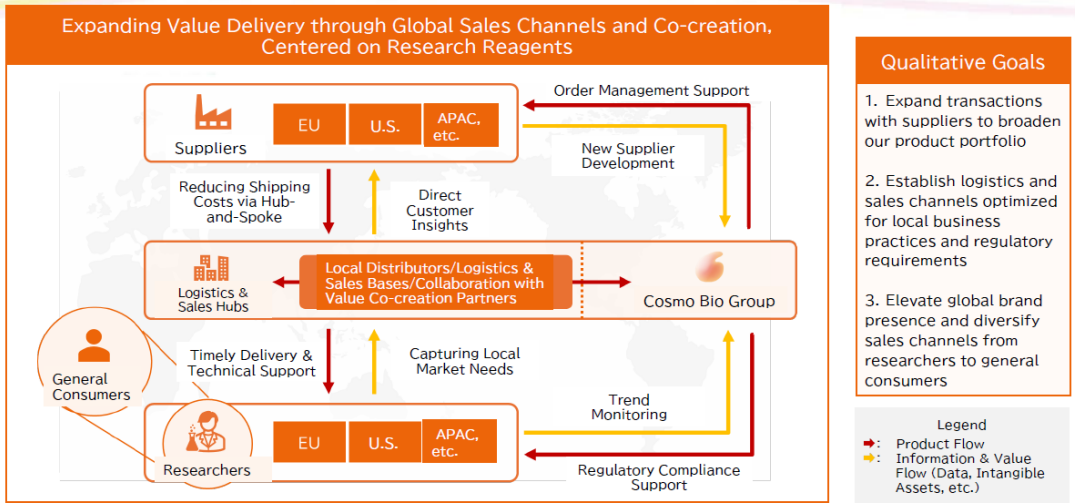
Source: Company materials

Strategy ③: Full-scale Expansion of New Business - Chicken Egg Bioreactor



Source: Company materials

Strategy ④: Strengthening Global Sales



Source: Company materials

Strategy ⑤: Optimization and Strengthening of Business Operations

Optimize and strengthen HR, IT and Finance functions to support sustainable growth

<p>HR Human Resources</p> 	<p>Optimization : Improve productivity through streamlined labor operations Strengthening : Implementing strategic HR initiatives aligned with growth; refining performance evaluation system to drive expansion</p>
<p>IT Information Technology</p> 	<p>Optimization : Modernizing legacy systems and processes; review security framework Strengthening : Support global expansion and new business operations; enable effective data utilization</p>
<p>Finance</p> 	<p>Optimization : Ensure liquidity; manage financial risks; strengthen financial governance Strengthening : Enhancing IR and information disclosure; securing capital for growth investments; ongoing balance sheet optimization</p>

Source: Company materials



Path toward enhancement of corporate value through the five priority strategies

These five priority strategies are linked to enhancing corporate value and specifically aim to improve ROE (as expected) and achieve a PBR of 1x or higher. The details are as follows. Organizing the concept, from the bottom upward:

- Through the expansion of IR measures, ESG initiatives and their disclosure, governance enhancement and its disclosure, and more proactive PR disclosure, the company will reduce information asymmetry with investors and seek to lower shareholders' cost of capital
- By promoting Priority Strategy 5 (optimization and strengthening of business operations), strengthening shareholder returns, and avoiding excessive expansion of shareholders' equity, the company will keep the denominator of ROE at an appropriate level and also control the cost of capital. The dividend policy uses whichever is higher of a dividend on equity ratio (DOE) of 3.5% or a dividend payout ratio of 60% as the benchmark, and since FY2024, the consolidated dividend payout ratio has been at around 100%
- While continuously carrying out Priority Strategy 1 (portfolio transformation), the company will promote the globalization of its trading company business through Priority Strategy 2 (evolution and strengthening of marketing functions) and Priority Strategy 4 (strengthening of global sales), thereby underpinning earnings by becoming more resilient to foreign exchange fluctuations and capturing growth potential in Japan and overseas, and raising the numerator of ROE.
- The company will cultivate Priority Strategy 3 (full-scale development of new businesses) and make concrete the future potential for discontinuous growth. As a result, it will improve the expected future value of ROE and, at the same time, lower the cost of capital as business performance enters a stable growth trajectory.

The company's policy is to enhance corporate value through these steps.

This way of thinking is, in substance, a continuation of "Measures toward achieving management that is conscious of capital costs and stock price," announced in August 2024.

5 Priority Strategies to Enhance Corporate Value



Key Initiatives and Strategies	Achieving PBR > 1.0x	ROE	CoE
Under Strategy ③, we are developing a balanced portfolio of new businesses—complementary in terms of monetization timing and market scale—and actively investing to achieve profitability	Expanding revenue streams through new business creation	✓	✓
Through Strategies ② and ④, we are enhancing our global sales network by leveraging data-driven insights	Globalizing the trading business via IT utilization	✓	
We are committed to strengthening dividends and executing share buybacks; these efforts will continue to be reinforced through Strategy ⑤	Strengthening shareholder returns and balance sheet optimization	✓	✓
We continue to strengthen dialogue with stakeholders through IR fairs and company briefings for individual investors	Strengthening stakeholder engagement		✓

※The initiatives above align with our "Action to Implement Management Conscious of Cost of Capital and Stock Price," disclosed in August 2024.

Source: Company materials

“Medium-term Management Plan 2028”

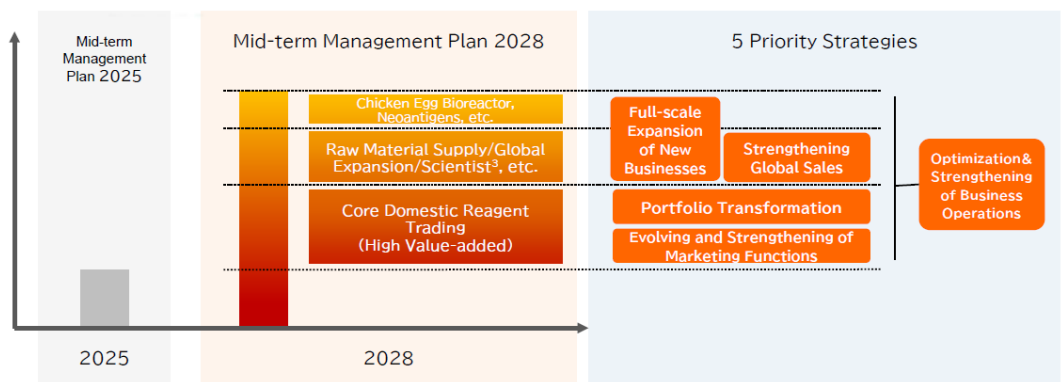
“Medium-term Management Plan 2028” translates the five priority strategies described above into a three-year plan for 2026 to 2028. In terms of financial figures, the plan is to raise net sales from 10.7 billion yen in FY2025 to 13.0 - 14.5 billion yen in FY2028, and ROE from 3.7% to 5% - 8% in FY2028. The company plans to first steadily achieve revenue growth through Priority Strategies 1, 2, and 5, and then further increase net sales through Priority Strategies 3 and 4.

Goals of the Mid-term Management Plan 2028



Source: Company materials

Goals of the Mid-term Management Plan 2028



Source: Company materials



Initiatives for the 5 Priority Strategies in Mid-term Management Plan 2028



	2026	2027	2028
①Portfolio Transformation ②Evolution of Marketing Capabilities	Expanding portfolio with high-profit/high-growth manufacturers and products; executing and evaluating sales strategies		
	Strengthening customer touchpoints through both online and offline channels		
③Full-scale Expansion of New Businesses	Chicken Egg:Continuous trials for novel functional proteins	Launching global contract services and commencing production of high-value proteins	
	Healthcare Science:Patent applications and development of follow-on products	Securing regulatory approvals, launching sales, and continuous R&D for follow-on products	
	Scientist ³ :Web launch and user acquisition	Expanding service range and establishing operational frameworks	Expanding dedicated teams and driving significant growth in registered users
	Raw Material Supply:Market analysis, and designing/establishing the sales structure	Broadening the product lineup	
④Strengthening Global Sales	Identifying new suppliers to bridge portfolio gaps; streamlining contract service frameworks; boosting sales of Cosmo Bio Japan's focus products		
	Enhancing brand awareness and strengthening connections with existing customers	Data-driven strengthening of sales capabilities and expansion into other regions	
⑤Optimization & Strengthening of Business Operations	HR: Optimizing labor operations to reallocate resources toward strategic HR initiatives and revising evaluation systems to support growth		
	IT: Reviewing legacy systems and security frameworks; enhancing business/data utilization to support global and new business expansion		
	Finance: Ensuring liquidity, establishing financial risk management, improving IR functions, and defining capital strategies for growth investment		

Source: Company materials



Financial results

1) FY12/2025 financial results: 7.3% increase in revenue, 7.7% increase in operating profit

Net sales were 10.76 billion yen (up 7.3% YoY), operating profit was 343 million yen (up 7.7% YoY), and net income attributable to owners of the parent was 337 million yen (up 28.6% YoY). Net sales exceeded 10 billion yen for the second consecutive fiscal year and achieved the plan. On the other hand, regarding profit, although the USD/JPY exchange rate was unchanged YoY at 149 yen/USD and the depreciation rate improved, SG&A expenses increased due to human capital investment, the promotion of DX, office expansion, and other factors, and although operating profit and other profit measures increased, they fell short of the plan. Tariff effects also arose.

Annual dividends per share were 50 yen (unchanged YoY), and the dividend payout ratio was 84.4%, indicating that the dividend policy focused on ROE continues. As for the balance sheet, the continued high equity ratio (74.0%) indicates no material change in the financial condition.

Consolidated Statement of Income



(Unit: million yen)		2024	2025		Vs. forecast	YoY
			Forecast	Results		
Net sales	Reagent	7,944	10,700	8,558	0.6%	7.3%
	Equipment	2,093		2,207		
Gross profit		3,329	—	3,702	—	11.2%
SG & A		3,010	—	3,359	—	11.6%
Operating income		318	490	343	Δ30.0%	7.7%
Ordinary income		364	580	489	Δ15.6%	34.4%
Net income attributable to shareholders of the parent company		262	430	337	Δ21.6%	28.6%

Exports (reagents) are performing well, and sales of equipment for contract services remain steady

The gross margin improved from 33.2% to 34.4%

Human capital investment, DX initiatives, etc.

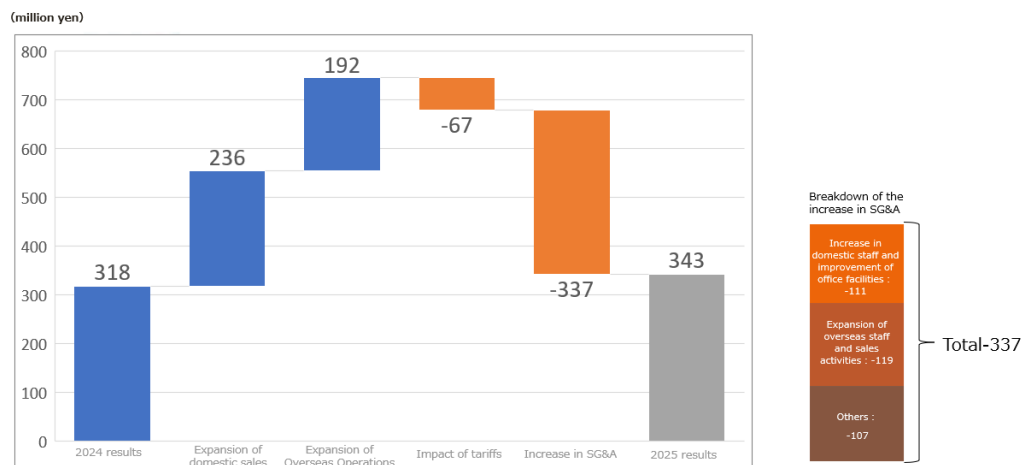
Non-operating income: Insurance policy surrender refunds, etc.

Source: Company materials

Analysis of Changes in Consolidated Operating Income



Factors contributing to the year-over-year change in consolidated operating income



Source: Company materials



2) FY12/2026 earnings forecast

The company's earnings forecast for FY12/2026, the first fiscal year of the new medium-term management plan, assumes revenue growth and profit decline. Net sales are 11.40 billion yen (up 5.9% YoY); operating profit is 270 million yen (down 21.3% YoY); net income attributable to owners of the parent is 220 million yen (down 34.7% YoY); and the assumed exchange rate is 152 yen/USD. In addition to the assumption of yen depreciation, the forecast calls for an increase in revenue but a decrease in profit, driven by higher expenses from a larger headcount, stronger sales activity, and the reinforcement of internal management systems. Annual dividends per share are forecast at 50 yen, the same amount as in the previous fiscal year (dividend payout ratio of 129.0%).

Full-Year Earnings Outlook



(Unit: million yen)	FY2025/12 Interim results	FY2026/12 Interim forecast	YoY	FY2025/12 Full-year results	FY2026/12 Full-year forecast	YoY
Net sales	5,402	5,700	105.5%	10,766	11,400	105.9%
Operating income	276	170	61.5%	343	270	78.7%
Ordinary income	343	200	58.3%	489	340	69.5%
Net income attributable to shareholders of the parent company	250	130	51.8%	337	220	65.3%

(Unit: /USD)	FY2025/12 results	FY2026/12 Forecast
Average exchange rate	149 yen	152 yen

Source: Company materials



Share price trends and catalysts

The stock price has continued to trend upward since 2024.

When compared with business performance, it appears that the market recognizes the company remains on a revenue growth trend, and it is difficult to regard the market as becoming more concerned about the holding pattern in profits and ROE. In addition, when the announcement titled “Successful development and manufacturing of the sweet protein ‘brazzein’ using the chicken egg bioreactor” was released on November 13, 2025, the market responded favorably to it, and the stock price surged from 1,100 yen to 1,400 yen. The announcement of FY12/2025 financial results was also absorbed, and although the company’s forecast for FY12/2026 calls for higher revenue and lower profit, the stock price has remained firm.

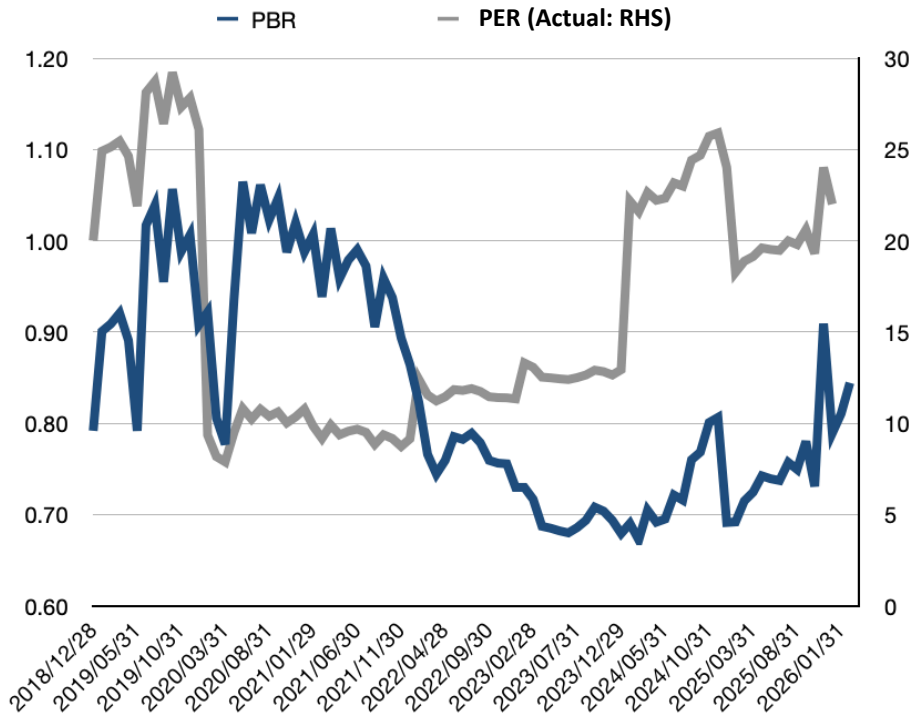
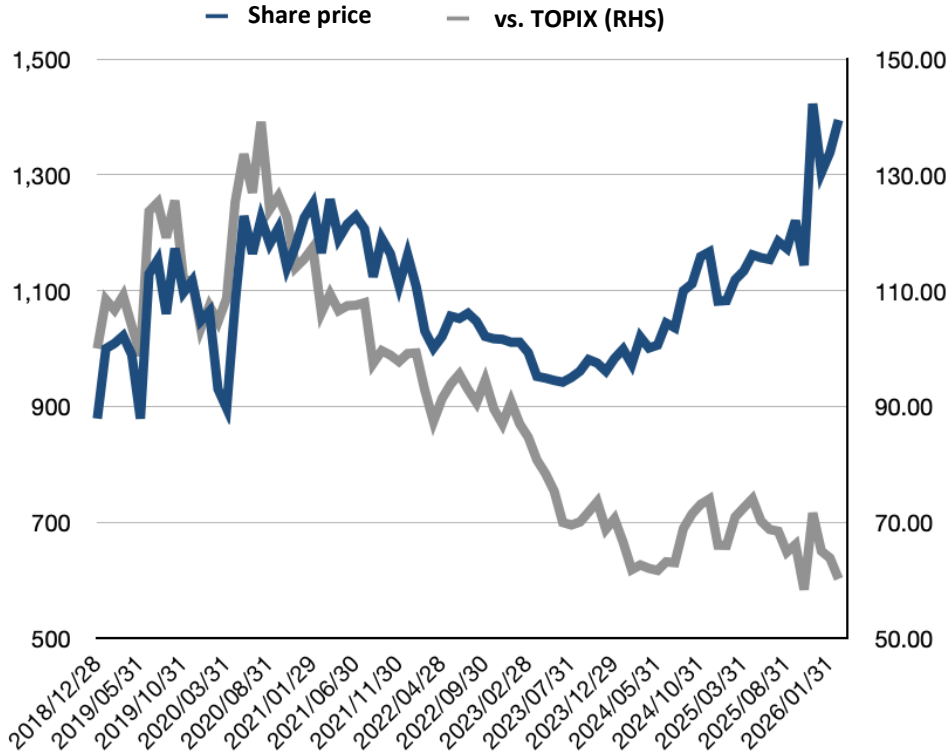
In light of these developments, it can be said that the stock market:

- is evaluating factors such as the trend of revenue growth, a profitable business structure, sound finances, low PBR, a dividend yield in the upper 3% range, and the commitment to achieving ROE of 8% and PBR of 1x
- has begun to react sensitively to positive developments that will lead to future improvement in ROE

It is necessary to continue closely monitoring foreign exchange trends, but if the various strategies become concrete and their effects begin to contribute to profits, a development in which PBR is aimed at 1x in earnest can be envisaged.

The following points can be summarized as future catalysts that will move the stock price:

- Trends in the USD/JPY exchange rate (with no major yen depreciation)
- Early realization of increased sales and higher added value in the domestic reagent trading company function
- Establishment of a path toward increased global sales and progress in reducing and strengthening the management of foreign exchange risk
- Actual ROE is beginning to rise steadily as a result of these factors
- Full-scale development of new businesses, such as raw material supply, the launch of Scientist3, the chicken egg bioreactor, and neoantigens, leading to stronger expectations for future ROE improvement
- Proactive expansion through M&A and other means by utilizing the sound financial base





Financial data



Trends in Key Consolidated Financial Ratios

	2021	2022	2023	2024	2025
Net sales (million yen)	9,231	9,553	9,340	10,037	10,766
Ordinary income (million yen)	1,099	790	653	364	489
Net income attributable to shareholders of the parent company (million yen)	737	517	442	262	337
Net assets (million yen)	8,319	8,617	9,026	9,555	9,955
Total assets (million yen)	10,072	10,313	10,872	11,723	12,662
Net assets per share (yen)	1,344.48	1,385.20	1,447.08	1,565.00	1,652.02
Earnings per share (yen)	126.94	89.13	75.97	45.05	59.26
Return on equity (%)	9.7	6.5	5.4	3.0	3.7
Return on assets (%)	11.2	7.8	6.2	3.2	4.0
Price earnings ratio(x)*	9.2	11.3	12.9	24.0	22.0
Dividend amount (non-consolidated) (yen)	36	36	30	50	50
Dividend payout ratio(consolidated)(%)	28.4	40.4	39.5	111.0	84.4
Net asset dividend rate (consolidated) (%)	2.8%	2.6%	2.1%	3.3%	3.1%

*The stock price is the closing price on the last trading day of the December period

Source: Company materials



Financial data

Unit: mn, yen	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12	2024/12	2025/12	2026/12
[Statements of income]											Company forecast
Net sales	7,427	7,068	7,261	7,590	8,092	9,231	9,553	9,340	10,037	10,766	11,400
Year-on-year basis	1.0%	-4.8%	2.7%	4.5%	6.6%	14.1%	3.5%	-2.2%	7.5%	7.3%	5.9%
Gross profit	2,772	2,532	2,659	2,879	3,152	3,658	3,440	3,249	3,329	3,702	
SG&A expenses	2,257	2,339	2,330	2,474	2,399	2,609	2,624	2,729	3,010	3,359	
Operating profit	514	193	328	405	752	1,048	816	519	318	343	270
Year-on-year basis	157.0%	-62.5%	69.9%	23.5%	85.7%	39.4%	-22.2%	-36.3%	-38.7%	7.7%	-21.3%
Operating profit margin	6.9%	2.7%	4.5%	5.3%	9.3%	11.4%	8.5%	5.6%	3.2%	3.2%	2.4%
Non-operating profit	21	208	89	72	71	71	57	136	86	158	
Non-operating expenses	51	3	13	7	6	20	83	2	40	12	
Ordinary Profit	483	397	403	470	817	1,099	790	653	364	489	340
Extraordinary profit	55	8			190				53	69	
Extraordinary expenses	82	5		81					48	54	
Income before income taxes	456	400	403	388	1,008	1,099	790	653	369	504	
Total income taxes	180	148	126	142	307	331	238	191	99	170	
Net profit	254	237	260	237	674	737	517	442	262	337	220
Year-on-year basis	10.4%	-6.7%	9.7%	-8.8%	184.4%	9.3%	-29.9%	-14.4%	-30.0%	28.6%	-34.7%
Net profit ratio	3.4%	3.4%	3.6%	3.1%	8.3%	8.0%	5.4%	4.7%	2.6%	3.1%	1.9%
[Balance Sheets]											
Current assets	5,495	5,143	5,668	5,927	6,756	7,310	7,136	7,102	7,229	7,441	
Cash equivalents and short-term securities	1,948	1,483	2,268	2,516	3,259	3,555	3,036	3,025	2,393	2,946	
Non-current assets	2,438	2,982	2,832	2,962	2,883	2,761	3,176	3,770	4,493	5,220	
Property, plant and equipment	319	690	636	695	636	599	577	572	701	862	
Investments and other assets	1,842	2,041	1,943	2,068	2,081	1,979	2,428	3,042	3,629	4,190	
Total assets	7,934	8,126	8,501	8,890	9,640	10,072	10,313	10,872	11,723	12,662	
Current liabilities	916	799	945	987	1,226	1,093	1,038	1,123	1,166	1,422	
Short-term borrowings	20	20	20	20	20	20	20	20	20	20	
Non-current liabilities	436	488	502	581	552	658	656	722	1,001	1,284	
Total liabilities	1,352	1,288	1,448	1,568	1,779	1,752	1,695	1,846	2,167	2,706	
Total net assets	6,581	6,838	7,053	7,321	7,861	8,319	8,617	9,026	9,555	9,955	
Shareholders' equity	6,135	6,381	6,581	6,843	7,358	7,787	8,052	8,444	8,967	9,373	
Share capital	918	918	918	918	918	918	918	918	918	918	
Capital surplus	1,251	1,251	1,251	1,251	1,251	1,258	1,260	1,261	1,263	1,267	
Retained earnings	3,680	3,812	4,026	4,181	4,761	5,274	5,560	5,805	5,891	5,880	
Treasury shares	-67	-67	-67	-67	-67	-239	-216	-194	-317	-379	
Valuation/exchange differences	352	466	451	558	494	574	530	654	1,211	1,687	
Total liabilities and net assets	7,934	8,126	8,501	8,890	9,640	10,072	10,313	10,872	11,723	12,662	
(Shareholders' equity ratio)	77.3%	78.5%	77.4%	77.0%	76.3%	77.3%	78.1%	77.7%	76.5%	74.0%	
[Statements of cash flows]											
Cash flow from operating activities	573	89	908	549	803	648	284	736	241	595	
Cash flow from investing activities	99	-235	-185	-115	42	-145	-291	-758	-217	43	
Cash flow from financing activities	-107	-109	-85	-85	-97	-420	-236	-201	-479	-283	
Net increase in cash and cash equiv.	549	-264	684	348	743	95	-218	-210	-433	354	
Cash and cash equiv. at beginning of period	1,098	1,648	1,383	2,068	2,416	3,159	3,255	3,036	2,826	2,393	
Cash and cash equiv. at end of period	1,648	1,383	2,068	2,416	3,159	3,255	3,036	2,826	2,393	2,747	
Free cash flow	672	-146	723	434	845	503	-7	-22	24	638	



Company data

Company Profile

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<https://www.cosmobio.com/jp/>



【Sapporo Office】

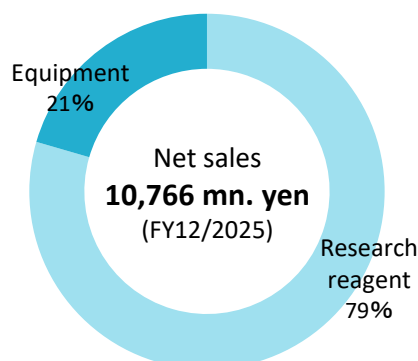
3-513-2, Zenibako, Otaru City, Hokkaido

【Shinsuna logistics center】

12-39, Shinsuna, Koto-ku, Tokyo
3F, Building B, Warehouse No. 3, Shinsuna, Nippon Express Co.

Number of Employees : 182 (Consolidated; as of Dec.31, 2025)

Sales by product category



History

Month/Year	Event
Aug. 1983	Maruzen Oil Biochemicals Co. Ltd. was established as a subsidiary of Maruzen Oil (now Cosmo Oil Co., Ltd.) in Minato-ku, Tokyo, for the purpose of marketing basic biotechnology research reagents.
Apr. 1986	Company name changed to Cosmo Bio Ltd. and sales of bio-research equipment begun.
Dec. 1986	Licensed to sell medicines
Apr. 1998	Establishment of wholly-owned subsidiary CB Development Co., Ltd. to search for suppliers.
Sep. 2000	Independence from Cosmo Oil through a management buyout (MBO). CB Development Co., Ltd. became a non-subsiary company through a share transfer.
Dec. 2000	Absorption merger of CB Development Co., Ltd.
Aug. 2004	Establishment of wholly-owned subsidiary Cosmo Bio USA Inc. in San Diego, California, USA, to search for suppliers and promote exports.
Sep. 2005	Listed on the JASDAQ stock exchange.
Dec. 2006	Acquired 80% of the shares of Primary Cell Co., Ltd., a company engaged in the research, development, manufacture and sale of primary cultured cells (primary cells) and contract analysis using these cells, and made it a subsidiary.
Nov. 2007	Acquired 30% of the outstanding shares of BM Equipment Co., Ltd., an importer and distributor of consumables and equipment for bio-research, and made it an equity-accounted affiliate.
Jul. 2008	Primary Cell Co., Ltd., a consolidated subsidiary, became a wholly owned subsidiary.
Mar. 2010	Acquired an additional 33% of the outstanding shares of BM Equipment Co., Ltd., making it a consolidated subsidiary with a total shareholding of approximately 63%.
Jan. 2013	Relocated the distribution centre and started operation at the Shinsuna Logistics Centre.
Jul. 2013	Merged with Primary Cell Co., Ltd.
Jul. 2013	Listed on the JASDAQ (Standard) of the Tokyo Stock Exchange following the merger of the Tokyo Stock Exchange and the Osaka Securities Exchange.
Nov. 2016	Established a joint venture Proteintech Japan Co., Ltd. with Proteintech Group, Inc.
Oct. 2017	Relocated and consolidated Sapporo business facilities and opened the Sapporo Site.
Jan. 2018	Cosmo Bio USA, became a consolidated subsidiary.
Mar. 2022	Transition to a company with an audit committee
Apr. 2022	Listed on the TSE Standard following the reorganisation of the Tokyo Stock Exchange.

Top management

President : Norihiko Shibayama

Apr. 1994 Joined Maruzen Petrochemical Co., Ltd.
 Oct. 2000 Joined the Company
 Apr. 2012 General Manager, Information Systems Department
 Mar. 2014 Director, BM Equipment Co., Ltd.
 Nov. 2016 General Manager of General Affairs Department and General Manager of the Information Systems Department
 Mar. 2017 Director and General Manager of the General Affairs Department and Information Systems Department
 Mar. 2020 Managing Director and General Manager of the General Affairs Department and Information Systems Department, Director and General Manager of General Affairs Department, BM Equipment Co., Ltd.
 Mar. 2022 President and Representative Director of BM Equipment Co., Ltd. (to present)
 Apr. 2022 Managing Director and General Manager of the General Affairs Department
 Mar. 2023 Senior Managing Director and General Manager of the General Affairs Department
 Nov. 2023 Representative Director, Senior Managing Director and General Manager of the General Affairs Department of the company, acting for the President and CEO
 Mar. 2024 Representative Director and President
 Apr. 2026 Representative Director and President, President Operating Officer (to present)

Managing Director : Junko Tochigi

Apr. 1998 Joined the Company
 Apr. 2013 Head of Product Communications Department
 Mar. 2017 Director and Head of Product Communications Department
 Apr. 2017 Director and Head of Corporate Planning Department
 Mar. 2021 Director, BM Equipment Co., Ltd.
 Mar. 2022 President and Representative Director, Cosmo Bio USA, Inc. Representative Director, Proteintech Japan Co., Ltd.
 Mar. 2023 Managing director and Head of Corporate Planning Department
 Nov. 2025 Director and CEO (Chief Executive Officer), Cosmo Bio USA, Inc. (to present)
 Apr. 2026 Managing director and Managing Operating Officer, Head of Corporate Planning Department (to present)

Director : Masanori Hayashi

Apr. 1994 Joined Kyowa Hako Kogyo Co., Ltd.
 May. 2012 Joined the Company
 Apr. 2019 Head of Finance Department
 Mar. 2022 General Manager, Finance Department, BM Equipment Co., Ltd.
 Mar. 2023 Director and Head of Finance Department
 Mar. 2024 Director, General Manager of Finance Department BM Equipment Co., Ltd (to present)
 Apr. 2026 Director and Operating Officer, Head of Finance Department (to present)

Director, Full-time Audit and Supervisory Committee Member : Kazutoshi Sato

Apr. 1987 Joined Sumitomo Real Estate Sales Co., Ltd.
 Jan. 1993 Joined Cosmo Oil Co., Ltd.
 Jun. 2011 Branch Manager, Sapporo Branch, Cosmo Oil Co., Ltd.
 Jun. 2014 Branch Manager, Takamatsu Branch, Cosmo Oil Co., Ltd.
 Oct. 2015 Cosmo Oil Marketing (Japan) Co., Ltd., Takamatsu Branch Branch manager
 Jun. 2017 Director, Executive Officer and General Manager, General Affairs Department, Maruzen Petrochemical Co., Ltd.
 Mar. 2020 Director, Maruzen Petrochemical Co., Ltd. Outside auditor of the company
 Auditor of BM Equipment Co., Ltd. (to present)
 Mar. 2022 Director and full-time audit committee member (to present)

Director, Audit and Supervisory Committee Member : Haruo Sasaki

Nov. 1974 Joined Chuo Audit Corporation
 Feb. 1990 Established Sasaki Accounting Office, Director (to present)
 Dec. 2000 Outside auditor of the Company
 Mar. 2022 Director and Audit Committee member (to present)

Director, Audit and Supervisory Committee Member : Kazuya Shimamura

Oct. 1995 Joined Deloitte Touche Tohmatsu (now Deloitte Touche Tohmatsu LLC)
 Apr. 1998 Registered as a chartered accountant
 Oct. 2004 Registered as a lawyer
 Joined Abe, Ikubo & Katayama Law Office
 Mar. 2008 Established Shimamura Law & Accounting Office, Representative (to present)
 Mar. 2014 Outside director of the Company
 Mar. 2022 Director and Audit Committee member (to present)

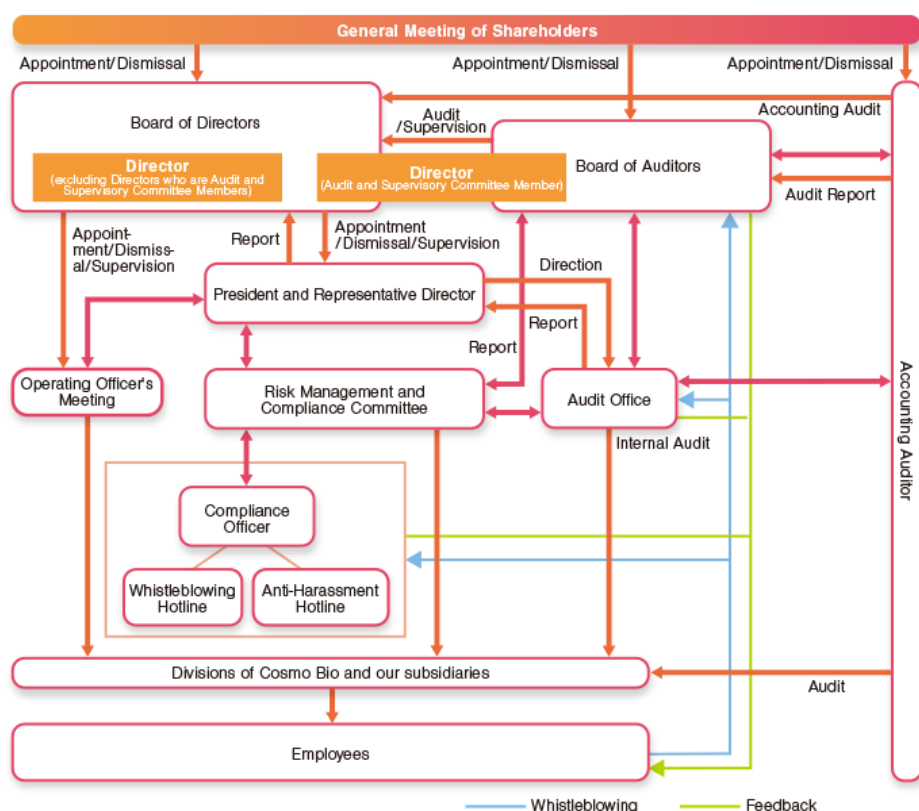
Director, Audit and Supervisory Committee Member : Junichiro Haraguchi

Apr. 1984 Joined Tokyo Small and Medium Business Investment & Consultation Co., Ltd.
 Apr. 2017 Counsellor, Acting Chief Examiner, Tokyo Small and Medium Business Investment & Consultation Co., Ltd.
 Jun. 2017 Outside Auditor, Kimoto Co., Ltd. (to present)
 Oct. 2020 Acting Director of Tokyo Small and Medium Business Investment & Consultation Co., Ltd.
 Apr. 2021 Specially Appointed Counsellor (Operations Department 5 and Sales Management Department), Tokyo Small and Medium Business Investment & Consultation Co., Ltd.
 Apr. 2023 Specially Appointed Counsellor (Operations Department 5 and Business Management Department), Tokyo Small and Medium Business Investment & Consultation Co., Ltd.
 Mar. 2024 Director and Audit Committee member of the Company (to present)

Skills matrix of the Board of Directors' Members

Name	Position	Expertise/experience							
		Business management	Sales and marketing	Finance, accounting	IT/DX	Human resources	Legal, risk management	Global	R & D
Norihiko Shibayama	President	●	●	●	●	●	●	●	
Junko Tochigi	Managing Director	●	●					●	●
Masanori Hayashi	Director	●		●	●	●		●	
Kazutoshi Sato	Director, outside Full-time Audit and Supervisory Committee Member	●	●	●				●	
Haruo Sasaki	Director, outside Audit and Supervisory Committee Member	●		●			●	●	
Kazuya Shimamura	Director, outside Audit and Supervisory Committee Member	●		●		●		●	
Junichiro Haraguchi	Director, outside Audit and Supervisory Committee Member	●		●		●		●	

Corporate governance structure



Source: Company materials

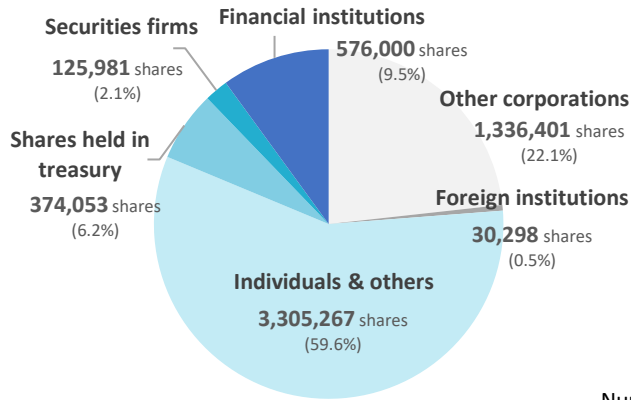
Major shareholders (As of December 31, 2025)

Name	Number of shares owned	Shareholding Ratio
Tokyo Small and Medium Business Investment & Consultation Co., Ltd.	1,152,000	20.30
Mizuho Trust & Banking Corporation Cosmo Oil Co., Ltd. Pension Fund. Re-trustee Custody Bank of Japan, Ltd.	576,000	10.15
UH Partners 2 Limited Partnership for Investment Purposes - General Partner: UH Partners 2 Co., Ltd.	438,300	7.72
Hikari Tsushin KK Investment Limited Partnership: General Partner - Hikari Tsushin Co., Ltd.	375,500	6.61
UH Partners 3 Limited Partnership for Investment Purposes - General Partner: UH Partners 3 Co., Ltd.	119,500	2.10
Haruhisa Sakurai	96,000	1.69
Yumiko Suzuki	82,300	1.45
Cosmo Bio Employee Stock Ownership Plan	78,500	1.38
Kiyoshi Takahashi	75,700	1.33
Toshiaki Funato	75,400	1.32

Note: The percentage of shares held to the total number of shares issued (%) excludes treasury shares (374,053 shares).

Source: Omega Investment from company materials

Shareholding by ownership (As of December 31, 2025)



Number of shareholders : 4,861

Source: Omega Investment from company materials

Sustainability initiatives

E	Environmental Initiatives	Manufacturing Environmental Protection
		Optimizing Distribution Systems and Inventory Management to Reduce Environmental Impact
S	Sustainable Business Growth	Research Support, Partnerships
		New Business Foundations, Innovation
		Next Generation Support
	Creating a Rewarding Workplace	Work Environment & Work-Life Balance
		Human Capital, Productivity
G	Strengthening and Enhancing Governance	Maintaining Strict Compliance Standards across All Operations
		Maintaining Rigorous Compliance Standards throughout Our Organization

Source: Company materials



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