

FY9/2022 2Q Investor Meeting Materials

May 18, 2022

Fuji Pharma Co., Ltd. TSE Prime 4554



Chapter 1 **Summary of FY9/22 2Q Consolidated Financial Results**

Chapter 2 **Mid-Term Business Plan Progress**

- **Overview**
- **Women's Healthcare**
- **Biosimilar**



Chapter

1

Summary of FY9/22 2Q Consolidated Financial Results

FY9/22 2Q Financial Result Highlights

- **Net sales and profits increase YoY contributed by new products, product acquisition, and existing women's healthcare products**
 - Net sales : +2.6% YoY due to increase of new products, product acquisition, and existing women's healthcare products
 - Operating Profit : +1.0% YoY as increase in SG&A expenses was absorbed by the increased gross profit
 - OLIC : Net sales +22.1% YoY due to an increase in new contracts
- **R&D Related topics**
 - F-meno[®] Capsules : Launched
 - Generic drugs : 2 products approved
 - FSN-013 : Phase III in process as planned

Summary of FY9/22 2Q Consolidated Financial Results

- Net sales : +449 JPY million (+2.6% YoY) - Increase of new products, product acquisition, and existing women's healthcare products
- Operating profit : +26 JPY million (+1.0% YoY) – Increase in SG&A and R&D expenses was absorbed by the increased gross profit
- Profit attributable to owners of parent : ▲187 JPY million (▲9.3% YoY) – Sold cross-shareholdings in the previous fiscal year (153 JPY million)

(¥million)	reference		FY9/22 First half New accounting standards	YoY Change (Old accounting standards)		FY9/22 First half Forecast New accounting standards	vs Fcst Achievement Ratio	FY9/22 Forecast New accounting standards	vs Fcst Progress Ratio
	FY9/21 First half Old accounting standards	FY9/21 First half New accounting standards		Amount	Ratio				
	Net Sales	17,277		16,511	17,726				
Gross Profit	7,664	6,897	7,675	11	0.1%	-	-	-	-
Gross Margin	44.4%	41.8%	43.3%	-	-	-	-	-	-
SG&A Expenses	4,977	4,211	4,963	▲ 14	-0.3%	-	-	-	-
SG&A Margin	28.8%	25.5%	28.0%	-	-	-	-	-	-
Operating Profit	2,686	2,686	2,712	26	1.0%	1,643	165.1%	3,490	77.7%
Operating Margin	15.5%	16.3%	15.3%	-	-	9.4%	-	9.7%	-
Ordinary Profit	2,738	2,738	2,866	128	4.7%	1,668	171.8%	3,540	81.0%
Ordinary Margin	15.8%	16.6%	16.2%	-	-	9.5%	-	9.8%	-
Profit Attributable to Owners of Parent	2,021	2,021	1,834	▲ 187	-9.3%	1,211	151.4%	2,562	71.6%
Profit Margin	11.7%	12.2%	10.3%	-	-	6.9%	-	7.1%	-
EBITDAR* ¹	4,563	4,563	4,974	411	9.0%	-	-	8,059	61.7%
EBITDA* ²	3,701	3,701	3,822	121	3.3%	-	-	5,250	72.8%
Capital Expenditure	1,567	1,567	3,449	1,882	120.1%	-	-	7,172	48.1%
Depreciation (Including Leased Equipment)	1,015	1,015	1,109	94	9.3%	-	-	1,760	63.0%
R&D Expenses	861	861	1,152	291	33.8%	-	-	2,809	41.0%
R&D Expenses Ratio	5.0%	5.2%	6.5%	-	-	-	-	7.8%	-

* 1) EBITDAR : Gross Profit – SG&A Expenses + Depreciation (Including Leased Equipment) + R&D Expenses

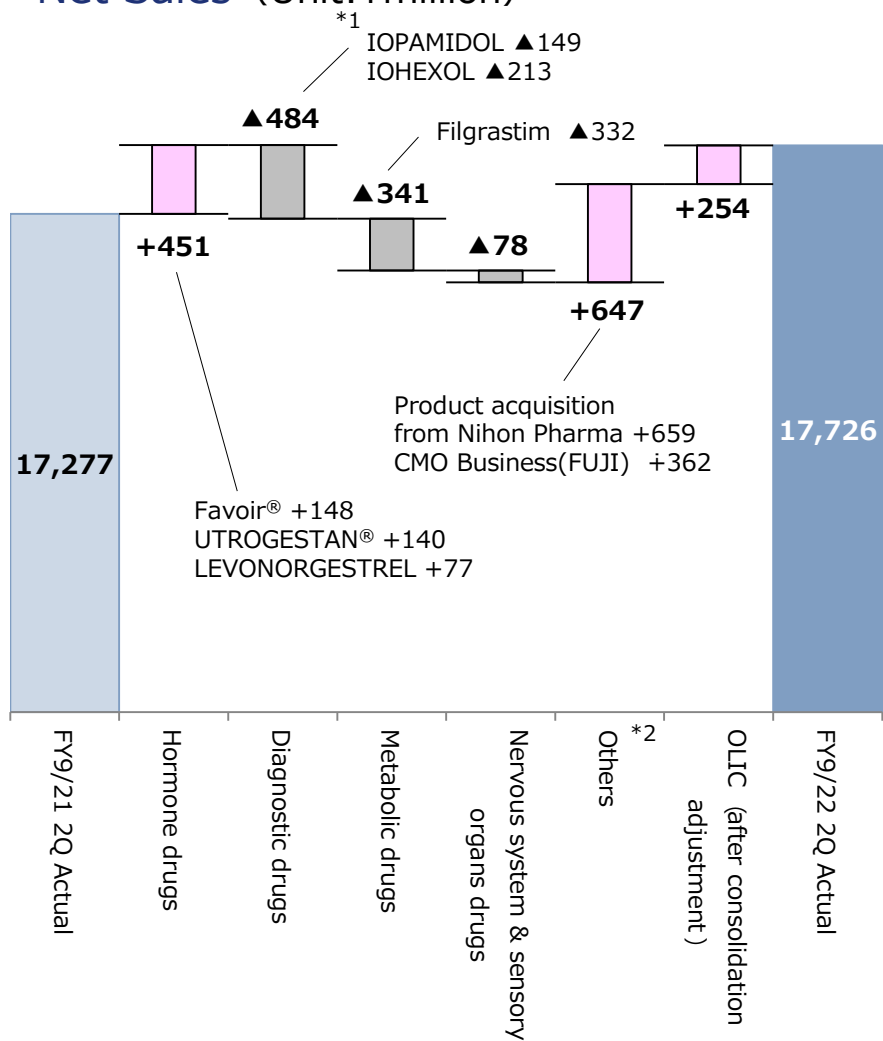
* 2) EBITDA : Gross Profit – SG&A Expenses + Depreciation (Including Leased Equipment)

※ From the beginning of FY9/22, to apply “The Accounting Standards for Recognizing Revenues” (corporate accounting standard No. 29), the above-mentioned FY9/22 first half consolidated financial results and FY9/22 first half consolidated forecast and FY9/22 consolidated forecast are the figure after the application of new accounting standards.

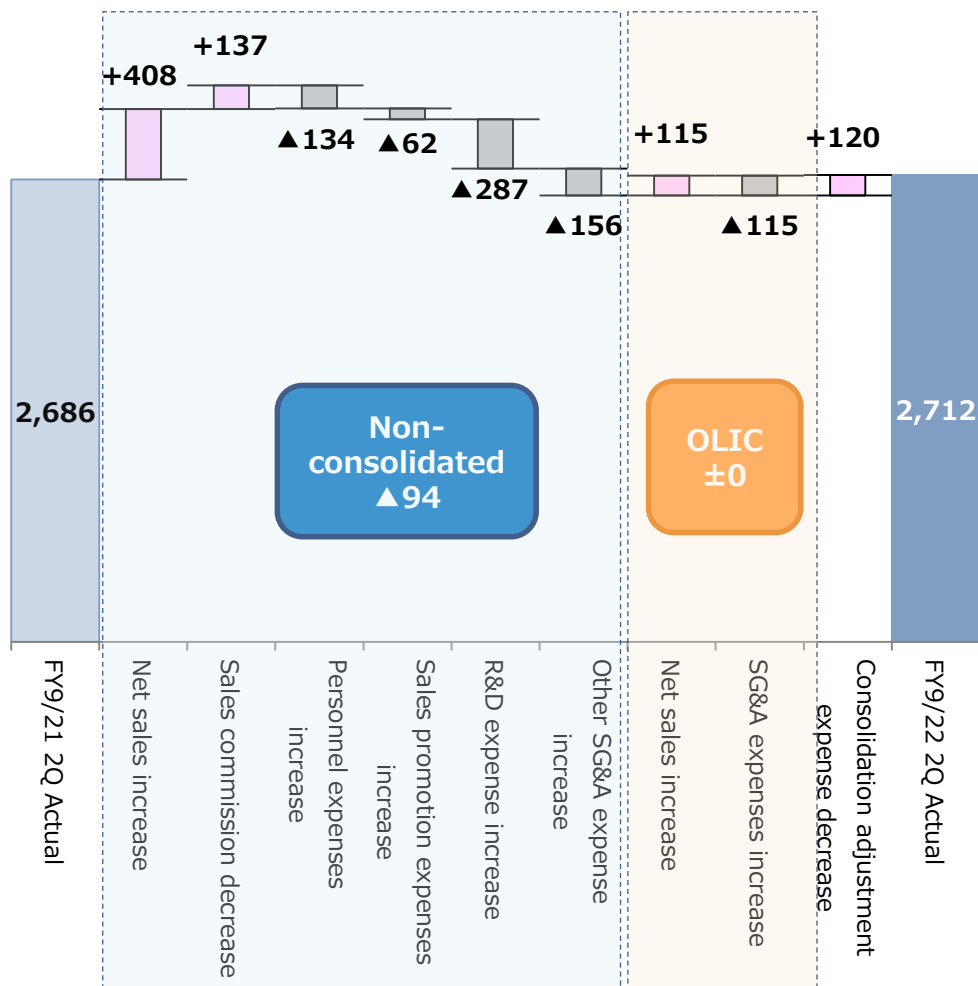


Summary of FY9/22 2Q Consolidated Financial Results (YoY)

Net Sales (Unit:¥million)



Operating Profit (Unit:¥million)



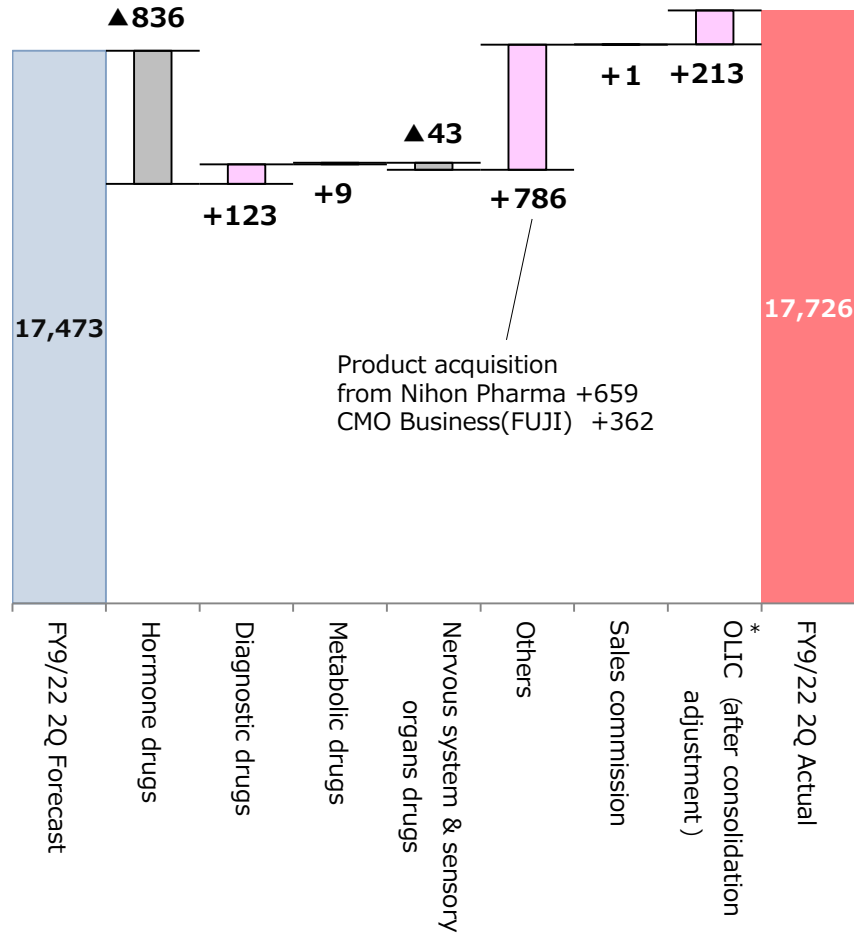
※ From the beginning of FY9/22, to apply “The Accounting Standards for Recognizing Revenues” (corporate accounting standard No. 29), the above-mentioned FY9/22 first half consolidated financial results is the figure after the application of new accounting standards. Therefore, the waterfall chart of Net sales is for reference only.



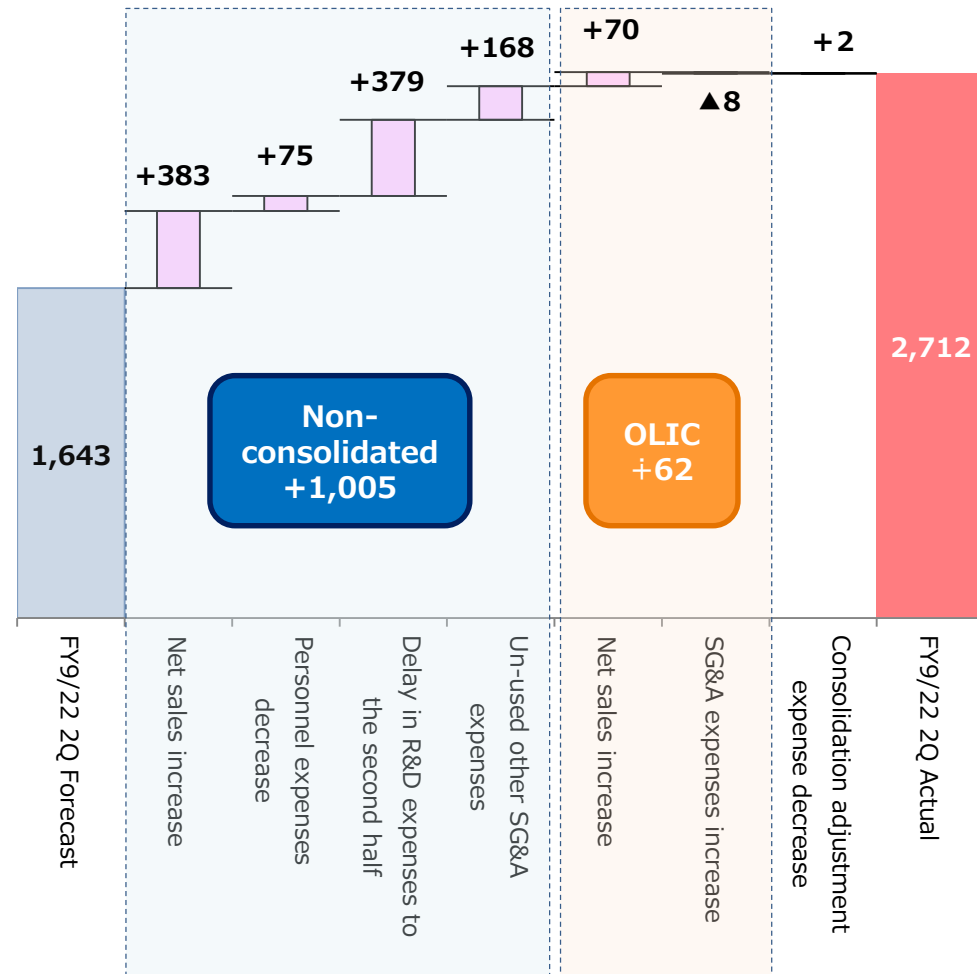
*1) Product name change : IOPAMIDOL injection (Former name : OYPALOMIN® injection) , IOHEXOL injection (Former name : IOPAQUE® injection)
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*2) OLIC : Our subsidiary CMO company (Head office and plant in Thailand)

Summary of FY9/22 2Q Consolidated Financial Results (v. Forecast)

Net Sales (Unit:¥million)



Operating Profit (Unit:¥million)



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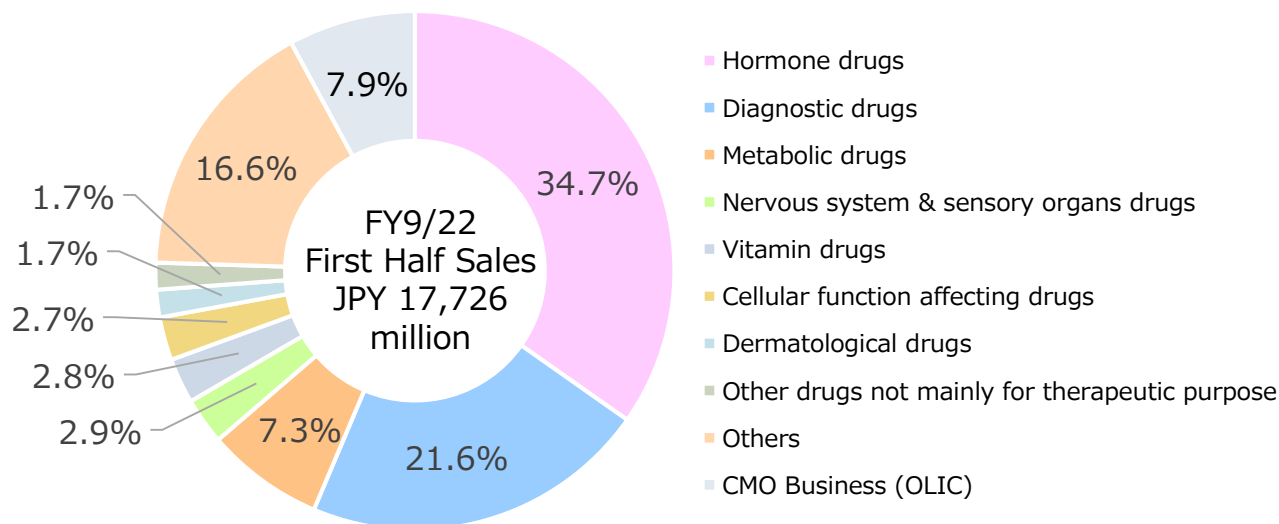


Sales by Therapeutic Category

(¥million)	FY9/18	FY9/19	FY9/20	FY9/21	FY9/22	YoY Change	
	First half	First half	First half	First half	First half	Amount	Ratio
	Old accounting standards	Old accounting standards	Old accounting standards	Old accounting standards	New accounting standards		
Hormone drugs	5,290	5,278	5,053	5,707	6,158	451	7.9%
Diagnostic drugs	6,323	6,028	4,456	4,315	3,831	▲ 484	-11.2%
Metabolic drugs	1,442	1,505	1,572	1,640	1,299	▲ 341	-20.8%
Nervous system & sensory organs drugs	82	449	593	593	515	▲ 78	-13.2%
Vitamin drugs	193	206	180	197	499	302	153.3%
Cellular function affecting drugs	393	461	476	491	476	▲ 15	-3.1%
Dermatological drugs	198	265	277	288	305	17	5.9%
Other drugs not mainly for therapeutic purpose	-	-	-	-	296	-	-
Others	2,744	3,102	3,004	2,893	2,939	46	1.6%
<i>Of which, CMO Business (FUJI)</i>	643	1,126	1,269	1,501	1,863	362	24.1%
CMO Business (OLIC)	1,293	1,186	1,290	1,149	1,403	254	22.1%
Total	17,961	18,483	16,905	17,277	17,726	449	2.6%

※CMO Business (OLIC) is the amount after consolidation adjustment

Sales Breakdown by Therapeutic Category



※ From the beginning of FY9/22, to apply “The Accounting Standards for Recognizing Revenues” (corporate accounting standard No. 29), the above-mentioned FY9/22 first half sales by therapeutic category is the figure after the application of new accounting standards. Therefore, YoY changes(in amount and ratio) are for reference only.

Sales of Top 15 Products

Product Name (¥million)	Therapeutic Category	FY9/18	FY9/19	FY9/20	FY9/21	FY9/22	YoY Change (Old accounting standards)		FY9/22	
		First half Old accounting standards	First half Old accounting standards	First half Old accounting standards	First half Old accounting standards	First half New accounting standards	Amount	Ratio	Forecast	Progress Ratio
★IOPAMIDOL injection	Diagnostic drugs	2,947	3,580	3,342	3,206	3,057	▲ 149	-4.6%	5,829	52.4%
★IOHEXOL injection	Diagnostic drugs	910	1,115	1,116	1,109	896	▲ 213	-19.2%	1,703	52.6%
Filgrastim BS Injection Syringe	Metabolic drugs	847	945	1,097	1,212	880	▲ 332	-27.4%	1,784	49.3%
DIENOGEST tablets	Hormone drugs	373	532	596	830	812	▲ 18	-2.2%	1,741	46.6%
Favoir® tablets	Hormone drugs	335	328	464	601	749	148	24.6%	1,541	48.6%
◆UTROGESTAN® vaginal capsules	Hormone drugs	298	332	350	442	582	140	31.7%	1,093	53.2%
Labellefille® tablets	Hormone drugs	223	316	393	497	500	3	0.6%	1,294	38.6%
GABAPEN® Tablets	Nervous system & sensory organs drugs	-	-	543	538	497	▲ 41	-7.6%	1,107	44.9%
LUNABELL® tablets (LD/ULD)	Hormone drugs	1,289	978	534	472	470	▲ 2	-0.4%	767	61.3%
LEVONORGESTREL tablets	Hormone drugs	-	47	326	370	447	77	20.8%	857	52.2%
DEXART® injection	Hormone drugs	431	435	434	445	418	▲ 27	-6.1%	898	46.5%
◆HMG intramuscular injection	Hormone drugs	447	400	365	399	406	7	1.8%	675	60.1%
FOLIAMIN®	Vitamin drugs	-	-	-	-	304	-	-	-	-
BUSERELIN nasal solution	Hormone drugs	215	218	202	216	252	36	16.7%	457	55.1%
◆FOLYRMON® -P injection	Hormone drugs	304	316	286	295	250	▲ 45	-15.3%	633	39.5%
Total Top 15 Sales		8,618	9,542	10,051	10,638	10,527	▲ 111	-1.0%	20,386	51.6%
Pct. Of Total Sales		48.0%	51.6%	59.5%	61.6%	59.4%			56.7%	
Other Products		8,049	7,754	5,563	5,489	5,795	306	5.6%	13,121	44.2%
CMO Business (OLIC)		1,293	1,186	1,290	1,149	1,403	254	22.1%	2,457	57.1%
Total		17,961	18,483	16,905	17,277	17,726	449	2.6%	35,966	49.3%
[Reference] Branded contrast media		2,316	1,245	0	0	0				

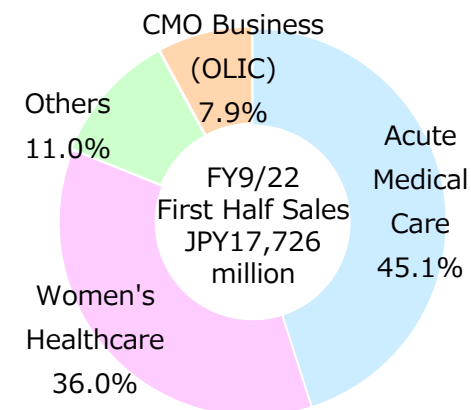
Acute Medical Care Women's Healthcare

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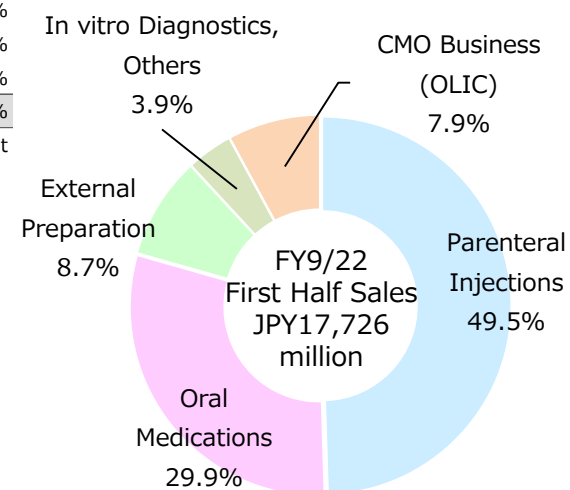


Sales by Medical Field and Drug Form Category

Sales Breakdown by Medical Field



Sales Breakdown by Drug Form Category



Medical Field Category (¥million)	FY9/18 First half	FY9/19 First half	FY9/20 First half	FY9/21 First half	FY9/22 First half	YoY Change (Old accounting standards)	
	Old accounting standards	Old accounting standards	Old accounting standards	Old accounting standards	New accounting standards	Amount	Ratio
Acute Medical Care	9,980	10,347	8,414	8,584	7,989	▲ 595	-6.9%
Women's Healthcare	5,222	5,154	5,316	5,896	6,384	488	8.3%
Others	1,464	1,795	1,884	1,646	1,949	303	18.4%
CMO Business (OLIC)	1,293	1,186	1,290	1,149	1,403	254	22.1%
Total	17,961	18,483	16,905	17,277	17,726	449	2.6%

※CMO Business (OLIC) is the amount after consolidation adjustment

Drug Form Category (¥million)	FY9/18 First half	FY9/19 First half	FY9/20 First half	FY9/21 First half	FY9/22 First half	YoY Change (Old accounting standards)	
	Old accounting standards	Old accounting standards	Old accounting standards	Old accounting standards	New accounting standards	Amount	Ratio
Parenteral Injections	10,617	10,998	9,157	9,362	8,777	▲ 585	-6.2%
Oral Medications	4,362	4,614	4,796	5,065	5,299	234	4.6%
External Preparation	1,104	1,238	1,251	1,383	1,545	162	11.7%
In vitro Diagnostics, Others	583	445	409	316	700	384	121.5%
CMO Business (OLIC)	1,293	1,186	1,290	1,149	1,403	254	22.1%
Total	17,961	18,483	16,905	17,277	17,726	449	2.6%

※CMO Business (OLIC) is the amount after consolidation adjustment

※ From the beginning of FY9/22, to apply "The Accounting Standards for Recognizing Revenues" (corporate accounting standard No. 29), the above-mentioned FY9/22 first half sales by Medical Field and Drug Form Category are the figure after the application of new accounting standards. Therefore, YoY changes(in amount and ratio) are for reference only.

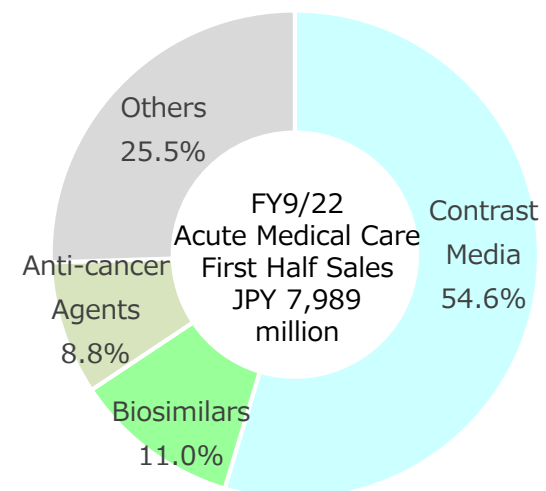
Sales of Acute Medical Care and Women's Healthcare

Acute Medical Care (¥Million)	FY9/18	FY9/19	FY9/20	FY9/21	FY9/22	YoY Change (Old accounting standards)	
	First half	First half	First half	First half	First half	Amount	Ratio
	Old accounting standards	Old accounting standards	Old accounting standards	Old accounting standards	New accounting standards		
Contrast Media	6,194	6,661	4,796	4,718	4,364	▲ 354	-7.5%
Biosimilars	847	945	1,097	1,212	880	▲ 332	-27.4%
Anti-cancer Agents	462	410	457	597	706	109	18.3%
Others	2,476	2,329	2,062	2,056	2,037	▲ 19	-0.9%
Total	9,980	10,347	8,414	8,584	7,989	▲ 595	-6.9%

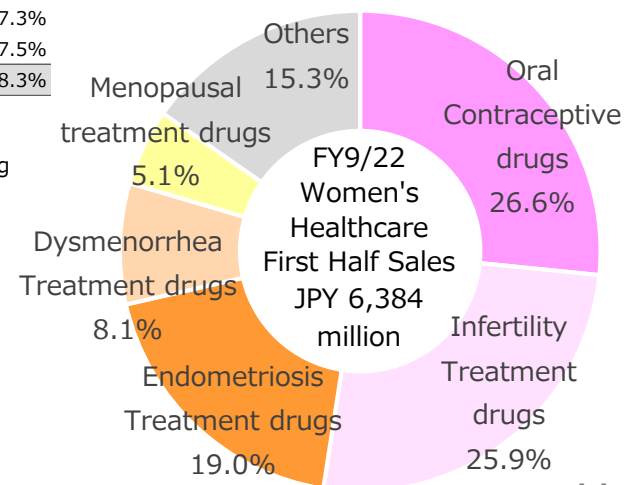
Women's Healthcare (¥Million)	FY9/18	FY9/19	FY9/20	FY9/21	FY9/22	YoY Change (Old accounting standards)	
	First half	First half	First half	First half	First half	Amount	Ratio
	Old accounting standards	Old accounting standards	Old accounting standards	Old accounting standards	New accounting standards		
Oral Contraceptive drugs	557	644	1,183	1,469	1,697	228	15.5%
Infertility Treatment drugs	1,468	1,475	1,411	1,553	1,650	97	6.2%
Endometriosis Treatment drugs	741	915	1,012	1,255	1,211	▲ 44	-3.5%
Dysmenorrhea Treatment drugs	1,435	1,030	602	524	519	▲ 5	-1.0%
Menopausal treatment drugs	139	154	167	185	328	143	77.3%
Others	880	933	937	908	976	68	7.5%
Total	5,222	5,154	5,316	5,896	6,384	488	8.3%

※ From the beginning of FY9/22, to apply "The Accounting Standards for Recognizing Revenues" (corporate accounting standard No. 29), the above-mentioned FY9/22 first half Sales of Acute Medical Care Women's Healthcare are the figure after the application of new accounting standards. Therefore, YoY changes(in amount and ratio) are for reference only.

Acute Medical Care Net Sales Percentage



Women's Healthcare Net Sales Percentage



FY9/22 2Q Summary of Consolidated Balance Sheet

(¥million)	FY9/21	FY9/22	YoY Change	
	Year End	End of 2Q	Amount	Ratio
Assets				
Current Assets	34,834	33,510	▲ 1,324	-3.8%
Cash and Deposits	10,199	5,975	▲ 4,224	-41.4%
Notes and Accounts Receivable - Trade	11,866	12,393	527	4.4%
Inventories	12,007	13,392	1,385	11.5%
Other	761	1,747	986	129.6%
Non-current Assests	29,404	40,788	11,384	38.7%
Property, Plant and Equipment	14,392	17,467	3,075	21.4%
Intangible Assets	2,397	9,220	6,823	284.6%
Investments and Other Assets	12,614	14,101	1,487	11.8%
Total Assets	64,239	74,298	10,059	15.7%
Liabilities				
Current Liabilities	20,192	20,971	779	3.9%
Notes and Accounts Payable - Trade	5,713	5,351	▲ 362	-6.3%
Other	14,479	15,620	1,141	7.9%
Non-current Liabilities	11,365	17,576	6,211	54.7%
Total Liabilities	31,557	38,548	6,991	22.2%
Net Assets				
Share capital	32,246	33,677	1,431	4.4%
Capital Stock	3,799	3,799	0	0.0%
Capital Surplus	4,409	4,409	0	0.0%
Retained Earnings	24,628	26,048	1,420	5.8%
Treasury Shares	▲ 590	▲ 579	11	-
Accumulated Other Comprehensive income	432	2,069	1,637	378.9%
Total Net Assets	32,681	35,750	3,068	9.4%
Total Liabilites and Net Assets	64,239	74,298	10,059	15.7%

Decrease due to Toyama Plant Capex

Increase due to Toyama Plant Capex and product acquisition

Increase in short-term dept due to product acquisition

Increase in long-term dept due to product acquisition

FY9/22 2Q Summary of Consolidated Statements of Cash Flows

(¥million)	FY9/21	FY9/22	YoY Change	
	First half	First half	Amount	Ratio
Cash Flows from Operating Activities	4,405	▲ 1,076	▲ 5,481	-124.4%
(Major Breakdown)				
Profit Before Income Taxes	2,871	2,865	▲ 6	-0.2%
Depreciation	978	1,100	122	12.5%
Amortization of Goodwill	138	138	0	0.0%
Decrease (increase) in trade receivables	▲ 425	▲ 441	▲ 16	3.8%
Decrease (Increase) in Inventories	▲ 42	▲ 1,270	▲ 1,228	2923.8%
Increase (decrease) in trade payables	1,637	▲ 422	▲ 2,059	-125.8%
Income Taxes Paid	▲ 387	▲ 739	▲ 352	91.0%
Cash Flows from Investing Activities	▲ 2,018	▲ 10,296	▲ 8,278	410.2%
(Major Breakdown)				
Proceeds from sales of Investment Securities	193	-	-	-
Purchase of Property, Plant and Equipment	▲ 1,800	▲ 2,977	▲ 1,177	65.4%
Purchase of Intangible Assets	▲ 102	▲ 7,092	▲ 6,990	6852.9%
Cash Flows from Financing Activities	▲ 3,653	6,988	10,641	-
(Major Breakdown)				
Purchase of Treasury Shares	▲ 9,405	-	-	-
Net increase (decrease) in Short-Term Loans Payable	6,300	1,300	▲ 5,000	-79.4%
Proceeds from Long-Term Loans Payable	1,000	7,300	6,300	630.0%
Repayments of Long-Term Loans Payable	▲ 836	▲ 920	▲ 84	10.0%
Dividends paid	▲ 467	▲ 364	103	-22.1%
Repayments of Lease Obligations	▲ 243	▲ 326	▲ 83	34.2%
Cash and Cash Equivalents at Beginning of Period	12,041	10,199	▲ 1,842	-15.3%
Cash and Cash Equivalents at End of Period	10,835	5,975	▲ 4,860	-44.9%
Free Cash Flows	3,154	▲ 11,372	▲ 14,526	-460.6%

Increase due to Toyama Plant Capex

Increase due to product acquisition

FY9/22 Consolidated Forecast

- Net sales : Expected to be in line with forecast, as new products, product acquisition, and existing women's healthcare products as a whole trended in line
- Operating profit : Expected to be in line with forecast, as R&D expenses are delayed to the second half

(¥million)	FY9/21	FY9/21	FY9/22	YoY Change		FY9/22	FY9/22
	Actual	Actual	Forecast	(New accounting standards)		First half	Second half
	Old accounting standards	New accounting standards	New accounting standards	Amount	Ratio	New accounting standards	New accounting standards
Net Sales	33,990	32,645	35,966	3,321	10.2%	17,726	18,240
Operating Profit	3,349	3,349	3,490	141	4.2%	2,712	778
Operating Margin	9.9%	10.3%	9.7%	-	-	15.3%	4.3%
Ordinary Profit	3,250	3,250	3,540	290	8.9%	2,866	674
Ordinary Margin	9.6%	10.0%	9.8%	-	-	16.2%	3.7%
Profit Attributable to Owners of Parent	2,432	2,432	2,562	130	5.3%	1,834	728
Profit Margin	7.2%	7.4%	7.1%	-	-	10.3%	4.0%
EBITDAR* ¹	7,688	7,688	8,059	371	4.8%		
EBITDA* ²	5,242	5,242	5,250	8	0.2%		
Capital Expenditure	3,392	3,392	7,172	3,780	111.4%	3,449	3,723
Depreciation (Includind Leased Equipment)	1,893	1,893	1,760	▲ 133	-7.0%	1,109	651
R&D Expenses	2,446	2,446	2,809	363	14.8%	1,152	1,657
R&D Expenses Ratio	7.2%	7.5%	7.8%	-	-	6.5%	9.1%

* 1) EBITDAR : Gross Profit – SG&A Expenses + Depretiation (Including Leased Equipment) + R&D Expenses

* 2) EBITDA : Gross Profit – SG&A Expenses + Depretiation (Including Leased Equipment)

※ The forecast for the second half of the period of 22/9 is based on the forecast for the period of 22/9 minus the results for the first half of the period of 22/9.

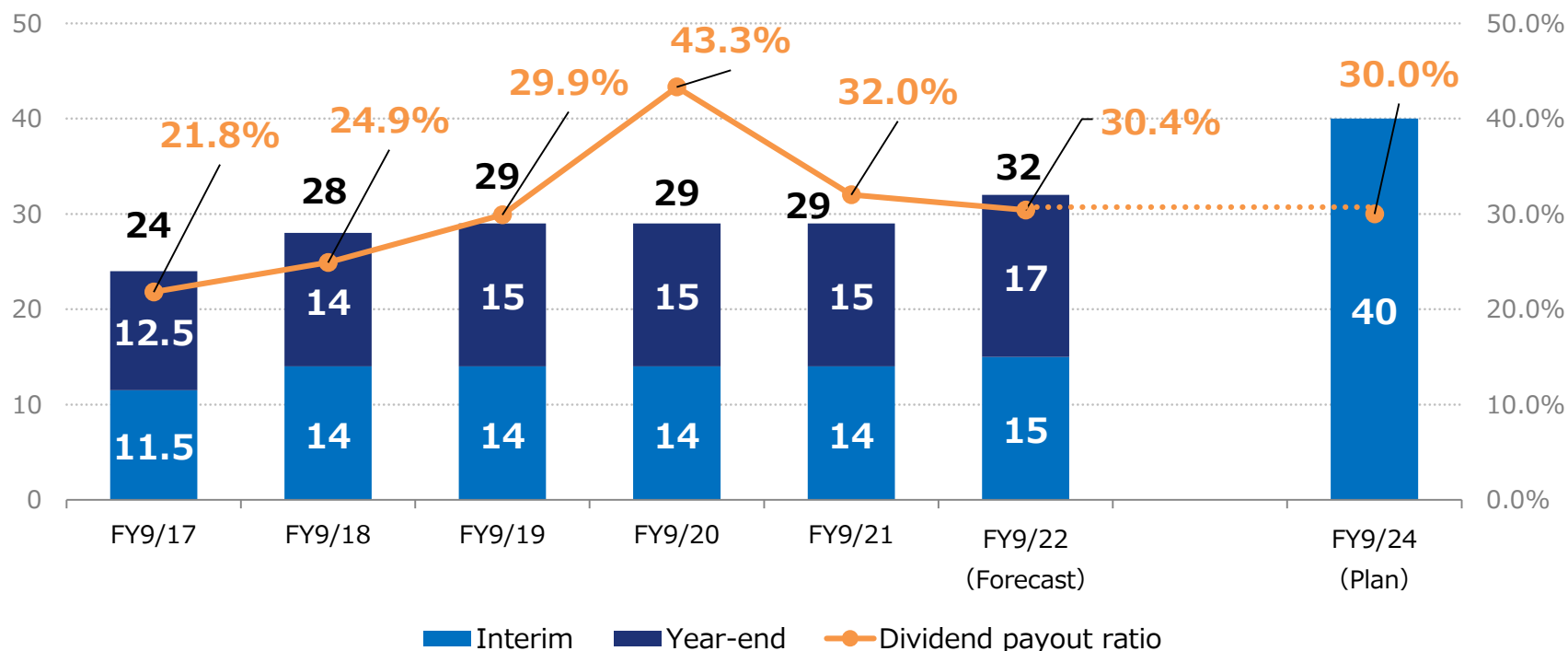
※ From the beginning of FY9/22, to apply "The Accounting Standards for Recognizing Revenues" (corporate accounting standard No. 29), the above-mentioned consolidated forecast is the amount after the application of new accounting standards.

And YoY change (amount and ratio) is calculated on the assumption that new accounting standards were applied in FY9/21.

FY9/22 Shareholder Return

- Our dividend policy is to achieve a dividend payout ratio of 30% with stable dividends
Therefore, we plan to pay 32 yen annual dividend by applying dividend payout ratio of 30% to FY9/22 forecast profit (Interim 15 yen, Year-end 17 yen)
- Announced that the interim dividend will be 15 yen per share as planned

Dividend per share (JPY) / Dividend payout ratio (%)



※ On July 1, 2018, 1 common stock was split into 2 stock. Dividend per share assumes current total outstanding shares.
 ※ FY9/22 (Forecast) payout ratio is estimate at the beginning of fiscal year.

Chapter

2



Mid-Term Business Plan Progress

Chapter 1 **Summary of FY9/22 2Q Consolidated Financial Results**

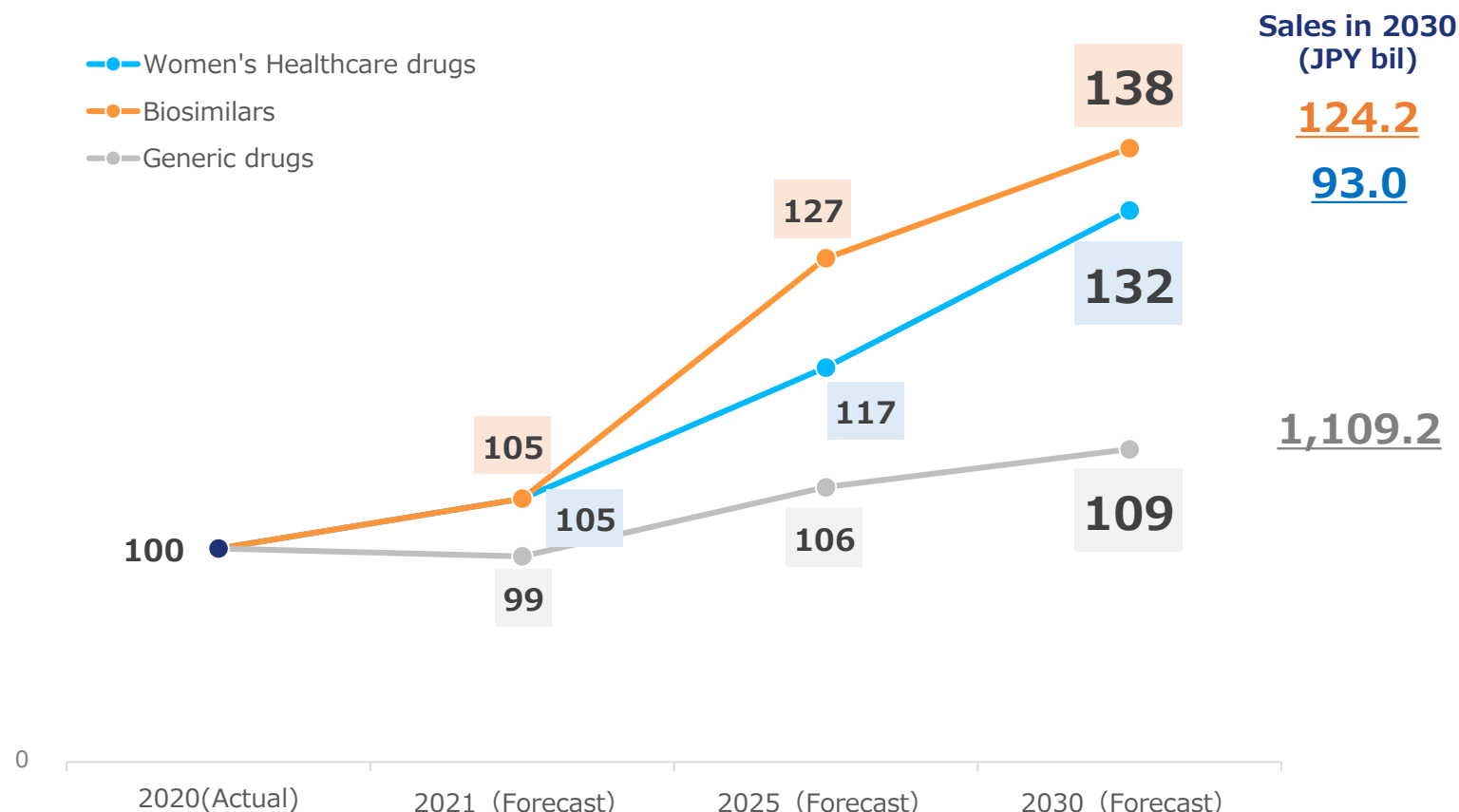
Chapter 2 **Mid-Term Business Plan Progress**

- **Overview**
- **Women's Healthcare**
- **Biosimilar**

Overview : Fuji Pharma as a Specialty Pharma (Business Domain)

- The market share of generic drugs in Japan reached almost 80% (governmental target)
- While the generic drugs market is expected to be flat, biosimilars and the Women's Healthcare drugs markets are expected to grow

➤ Domestic Women's Healthcare drugs, Biosimilars, and Generic drugs Market Forecast (2020=100)

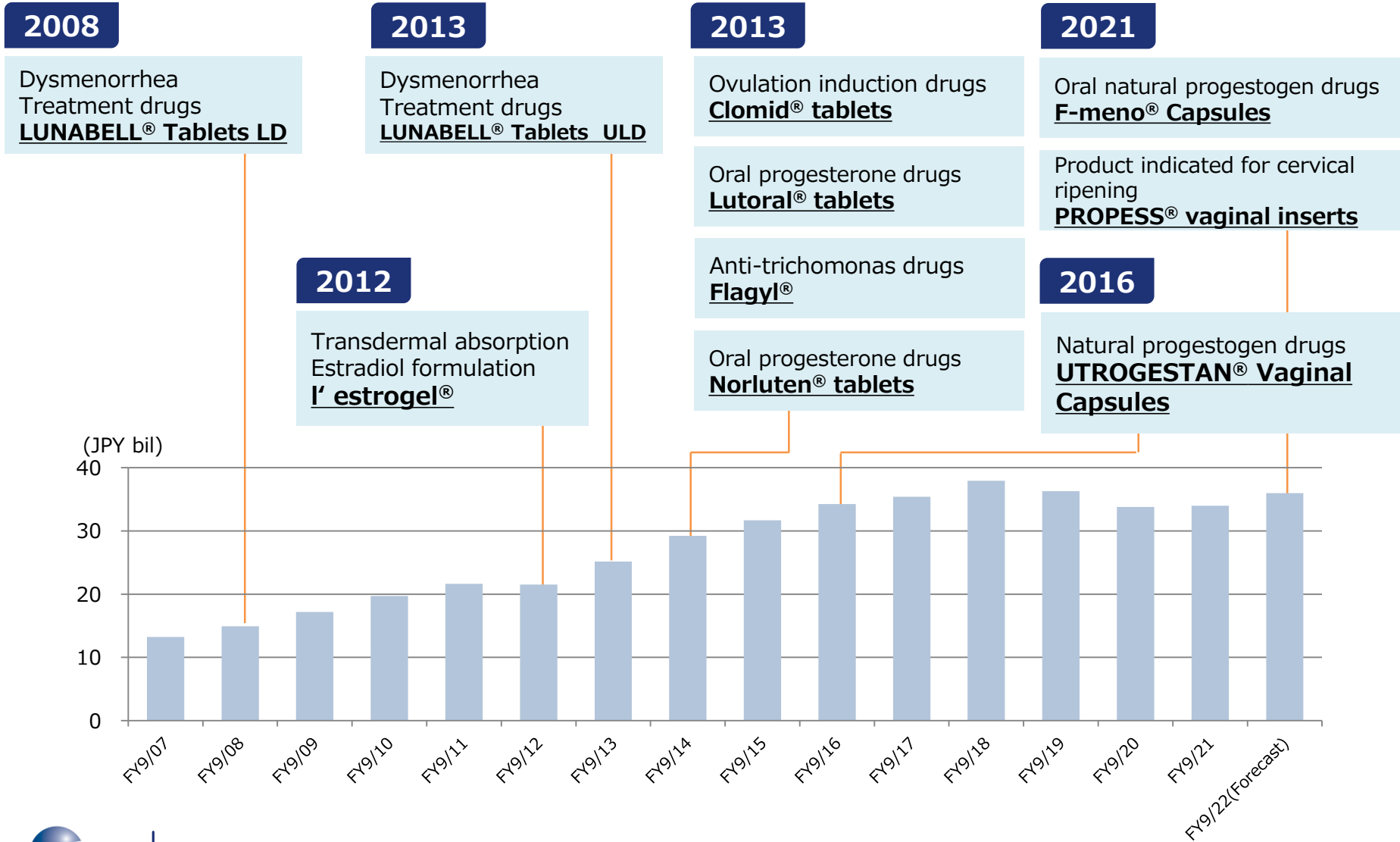


Source: Fuji Keizai Co., Ltd. (2022 Biosimilar Authorized Generics Strategy: Trend Analysis and Future Potential of the Latest GE Market), Fuji Keizai Co., Ltd. (2018-2019 Ethical Drug Data Book No.4)
 ※Women's Healthcare Market: Forecasts for 2020, 2021 and 2025. 2030 figures are our estimates based on Fuji Keizai Co., Ltd. (2018-2019 Ethical Drug Data Book No.4).

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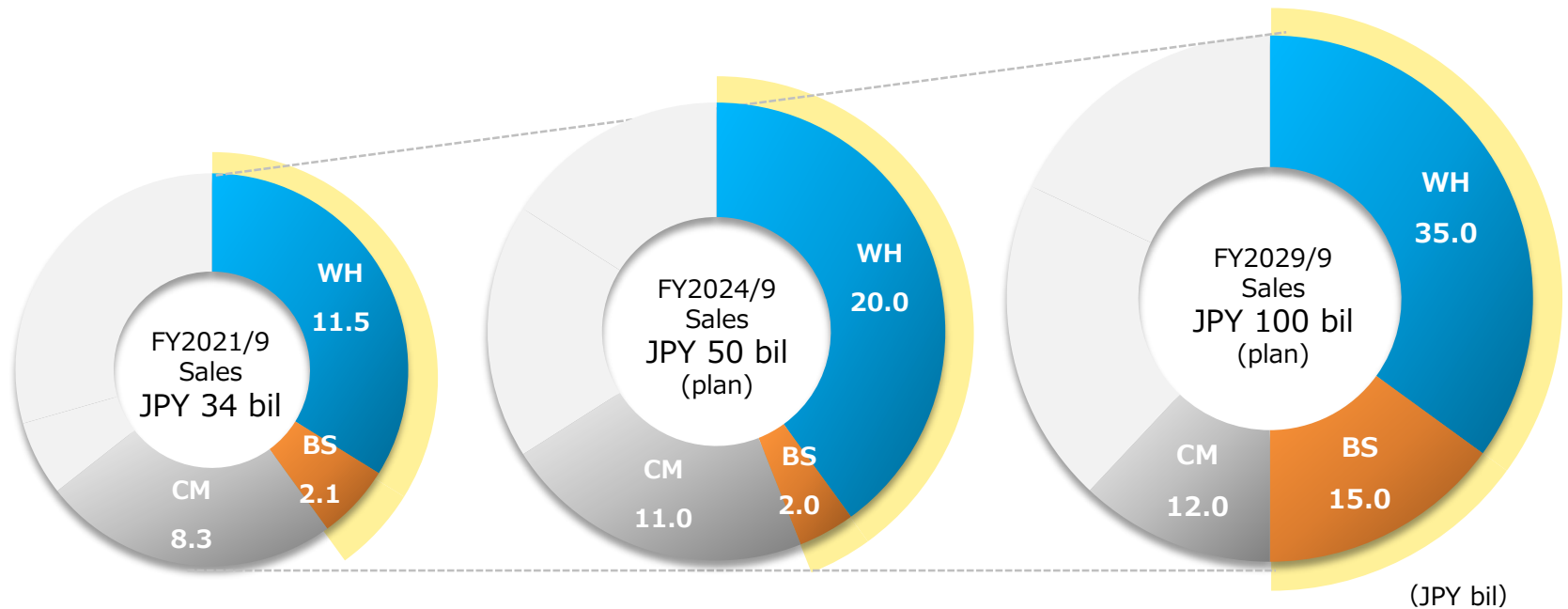
Overview : Road to Specialty Pharma

➤ Our net sales trends and Women's Healthcare new drug line-up



Overview : Fuji Pharma as a Specialty Pharma

- Aggressively allocating management resources to the growing market
→ Women's Healthcare and Biosimilars gain more share in sales



Our specialty ratio over domestic sales (including contrast media)

68%

80%

77%

※ WH : Women's Healthcare BS : Biosimilars CM : Contrast media



Theme

Fujiらしくをあたらしく "Evolving Fuji"

Target in 9/2029

Goal

Business Plan based
on Vision for 2030

Positioning

Roadmap to achieve
Vision for 2030

Sales

JPY **100** bil+

Growth
Scenario

- No.1 in Women's Healthcare (WH)
- Evolving into sustainable Contrast Media business (CM)
- Establish Biosimilar business (BS)
- Strengthen overseas business (OS)

Operating Margin

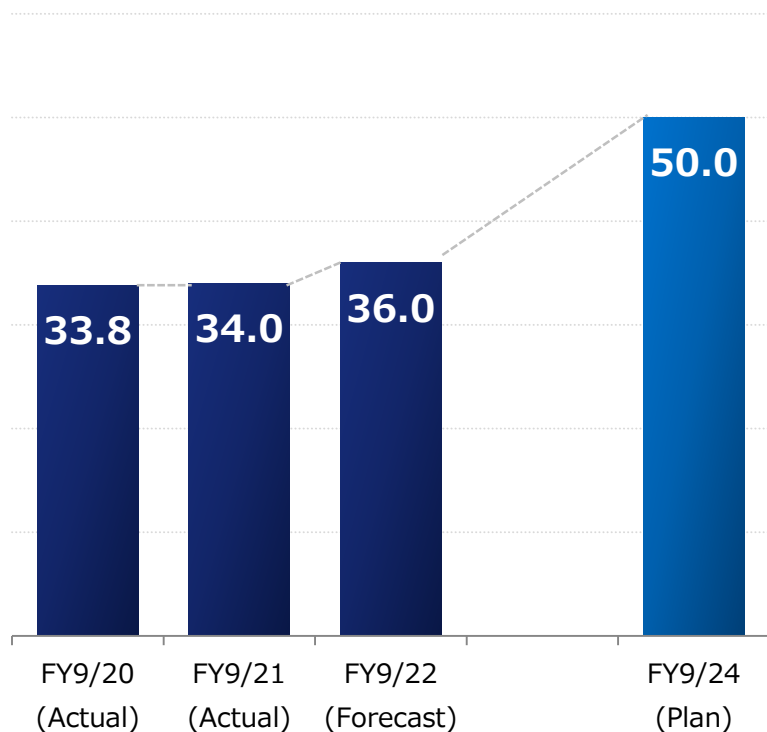
20%+

To Achieve

Execution through strategic and functional initiatives
Continuous monitoring review semi-annually
Rolled over every year

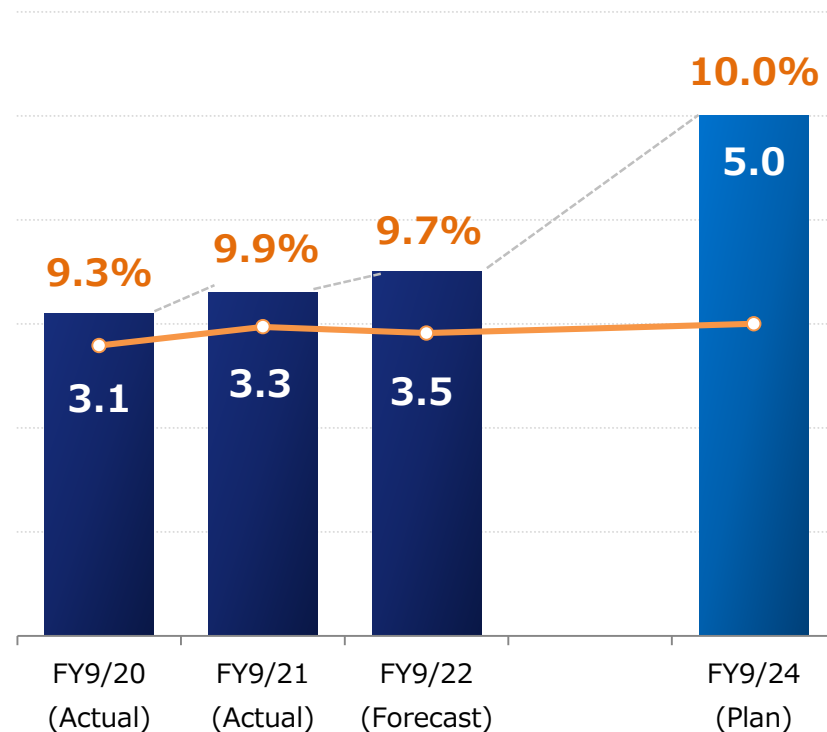
Overview : Key Financial Targets (Announced in May 2020)

Sales(JPY bil)



Operating Profit (JPY bil)




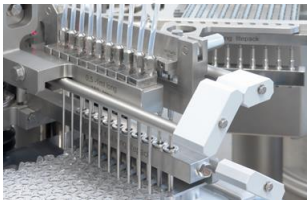


■ Operating profit ○ Operating margin



Overview : Progress Topics for the first half of FY9/2022

	Women's Healthcare	Contrast Media	Biosimilars	Overseas
Launched F-meno [®] capsules	✓			
Sales started PROPESS [®]	✓			
Developing FSN-013 (Japan, ASEAN)	✓			✓
NHI drug price listing and additional indication for insurance coverage of infertility treatment	✓			
Product acquisition: 4 products from Nihon Pharma	✓		✓	
Additional BS contract			✓	
Toyama Plant capex progress	✓		✓	✓
Materiality identification	✓	✓	✓	✓

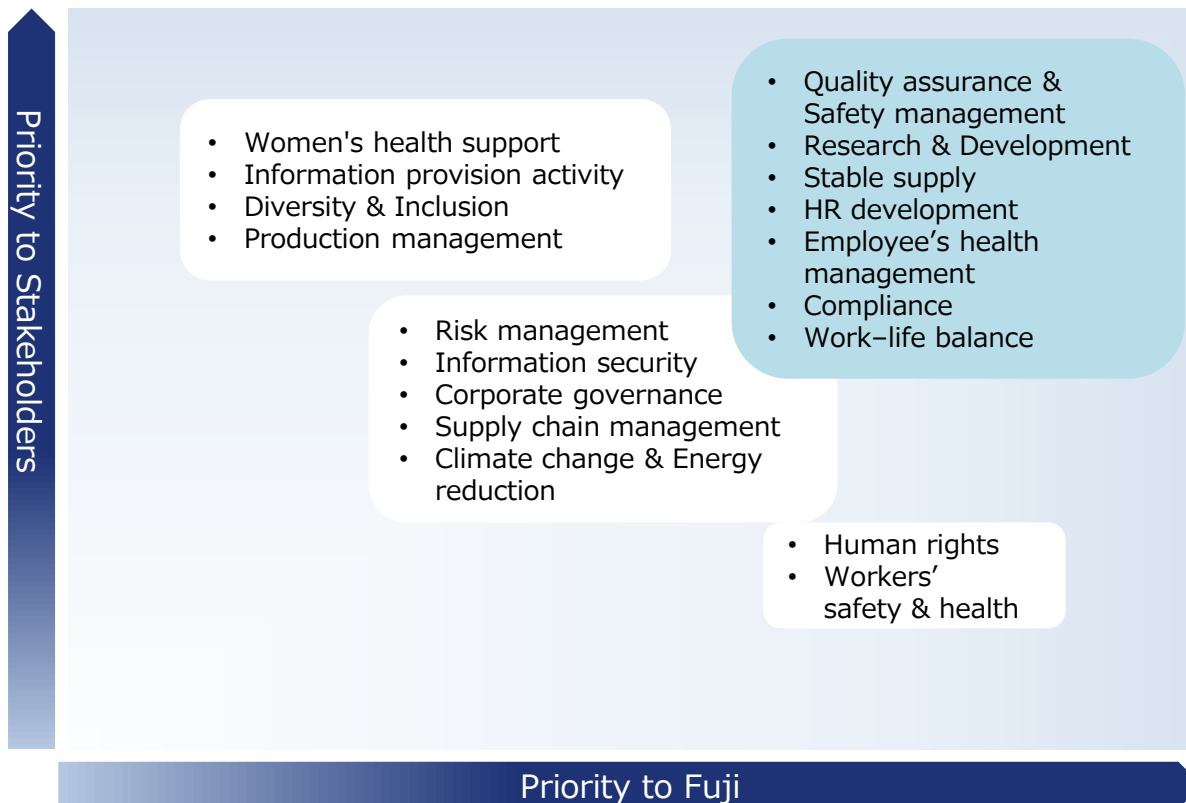
Overview : Capex on Toyama Plant

	2019	2020	2021	2022	2023
<p>New tablet building WH</p> <ul style="list-style-type: none"> ● Hormone tablet manufacturing / expand testing capacity ● High containment technology for hormone tablet manufacturing ● Response to PIC/S GMP inspection standards <p style="text-align: right;">JPY 3.9 bil*</p>		<p>Ground Breaking (Dec.)</p>	<p>-----></p>	<p>PV (Nov.)</p> 	
<p>Adding ampoule/vial line</p> <ul style="list-style-type: none"> ● Expand injection manufacturing capacity ● High containment technology for high pharmaceutical active injection formulation ● Response to PIC/S GMP inspection standards <p style="text-align: right;">JPY 2.4 bil*</p>	<p>Ground Breaking</p>		<p>-----></p>	<p>PQ (Mar.)</p> 	
<p>High Potent Multi-Syringe Line BS</p> <ul style="list-style-type: none"> ● Compatible with various syringe formulations and new products ● Expanding CMO business and exports to Europe and US ● Strengthen injection formulation technological Capabilities of Injection Formulations <p style="text-align: right;">JPY 4.0 bil*</p>				<p>Ground Breaking (Jul.)</p>	<p>-----> PV (Oct.)</p> 
<p>New packaging / warehouse building</p> <ul style="list-style-type: none"> ● Expand injection packaging capacity ● Expand product storage capacity ● Improve manufacturing workability <p style="text-align: right;">JPY 2.0 bil*</p>		 <p style="text-align: center;">New warehouse building</p>	<p>-----></p>	<p>Ground Breaking (Jun.)</p>  <p style="text-align: center;">New packaging building</p>	<p>Completion New packaging building (Mar.) New warehouse building (Apr.)</p>

Overview : Materiality (Identification, mapping, and priority)

- As a starting point for sustainability strategy of Mid-Term Business Plan, defined 18 materiality at sustainability committee.
- Prioritized 18 materiality thorough stakeholder surveys and company's executive interview.

● Materiality·Map



Contributing to the sustainable society through working on materiality

↓

A virtuous cycle for further growth and contribution.

Overview : Selected Actions on Materiality

Environment

- ISO14001 certificate



- ISO45001 certificate



Human Resource

- Selected as a Health and Productivity Management Organization



- Promoting women's empowerment (As of Apr 2022)

- Number of female director and female manager ratio
 - Female director : 2
 - Female manager ratio : 20.6% (30%※)
- Childcare leave ratio (as of September 2021)
 - Female : 85.7% (100%※)
 - Male : 52.6% (Over30%※)

※Sep 2024 Target

Social Activity

- Special Award of NIPPON Women's Conference® 2022
- Chairman's Award of The Japan Family Planning Association

- Sponsorship of women's health seminar & events
 - "Women's Health Week in 2022 Marunouchi Career Academy Special Seminar" (Sponsored by Nihon Keizai Shimbun, Inc.)
 - "Our health, start talking about mental and physical Health" (Sponsored by Women's Health Action and CINRA,Inc.)

Chapter 1 **Summary of FY9/22 2Q Consolidated Financial Results**

Chapter 2 **Mid-Term Business Plan Progress**

- Overview
- **Women's Healthcare**
- Biosimilar

Vision for 2030

Contributing to well-being of women in the world

Market
growth

Share
growth

Market Opportunity
Further expansion

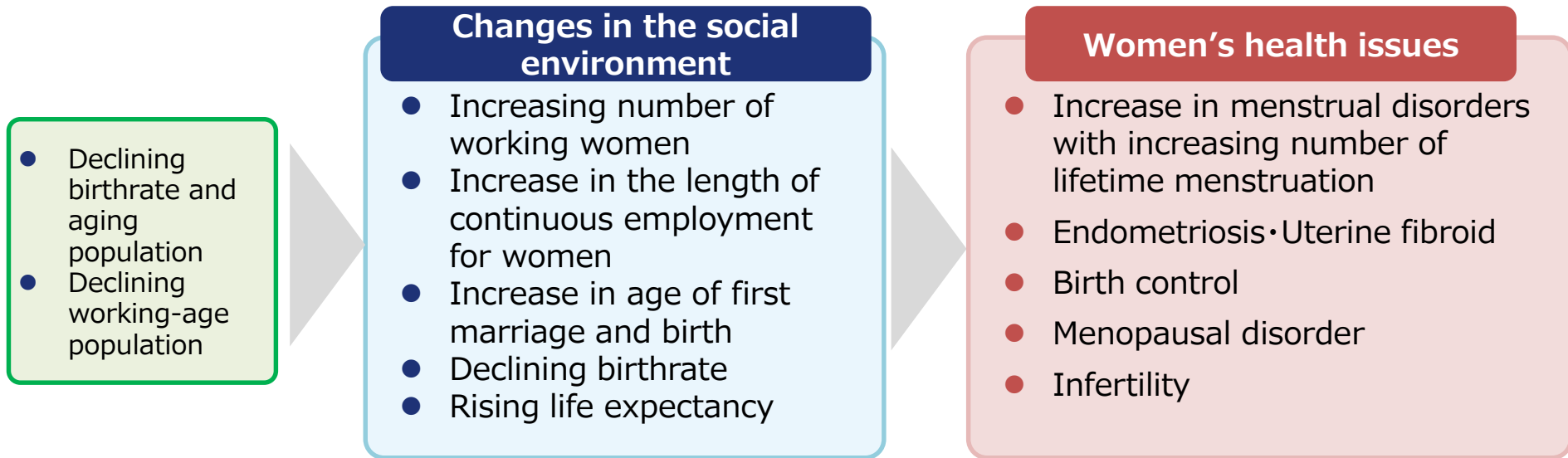
- **Social need is increasing**
- **Potential market opportunities**

Our Strengths
Women's Healthcare

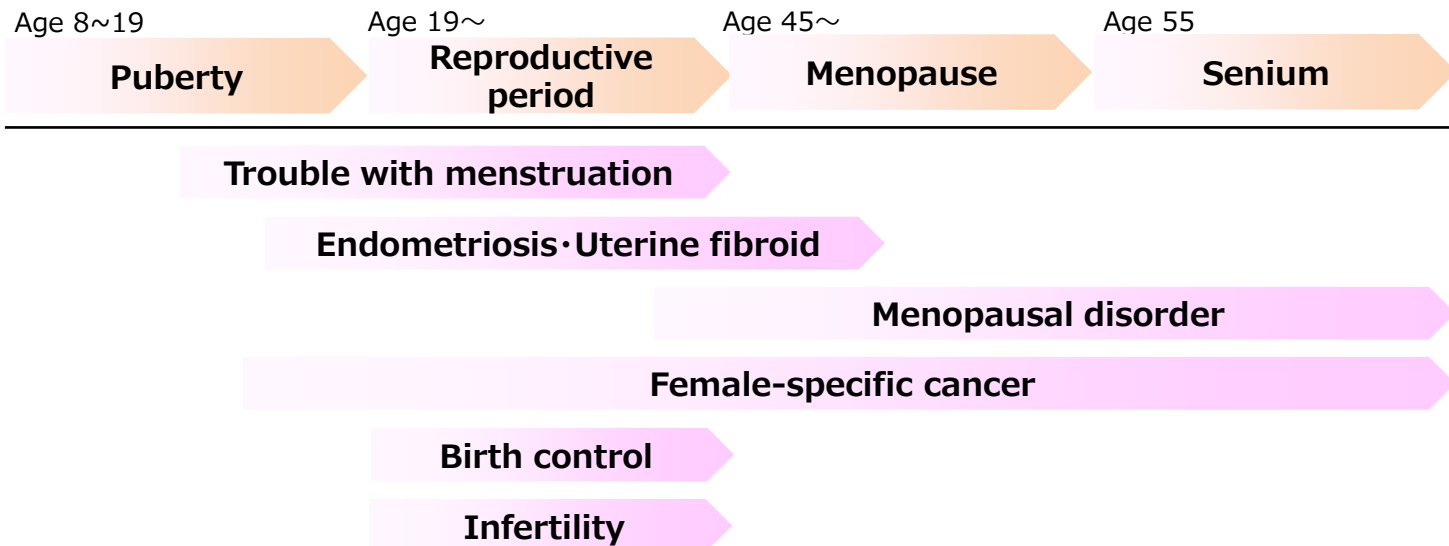
- **Half century activities in high entry barrier market**
- **Having a wide lineup of products covering each life stage of women**



Women's Healthcare : Contribution of Fuji to women's health issues

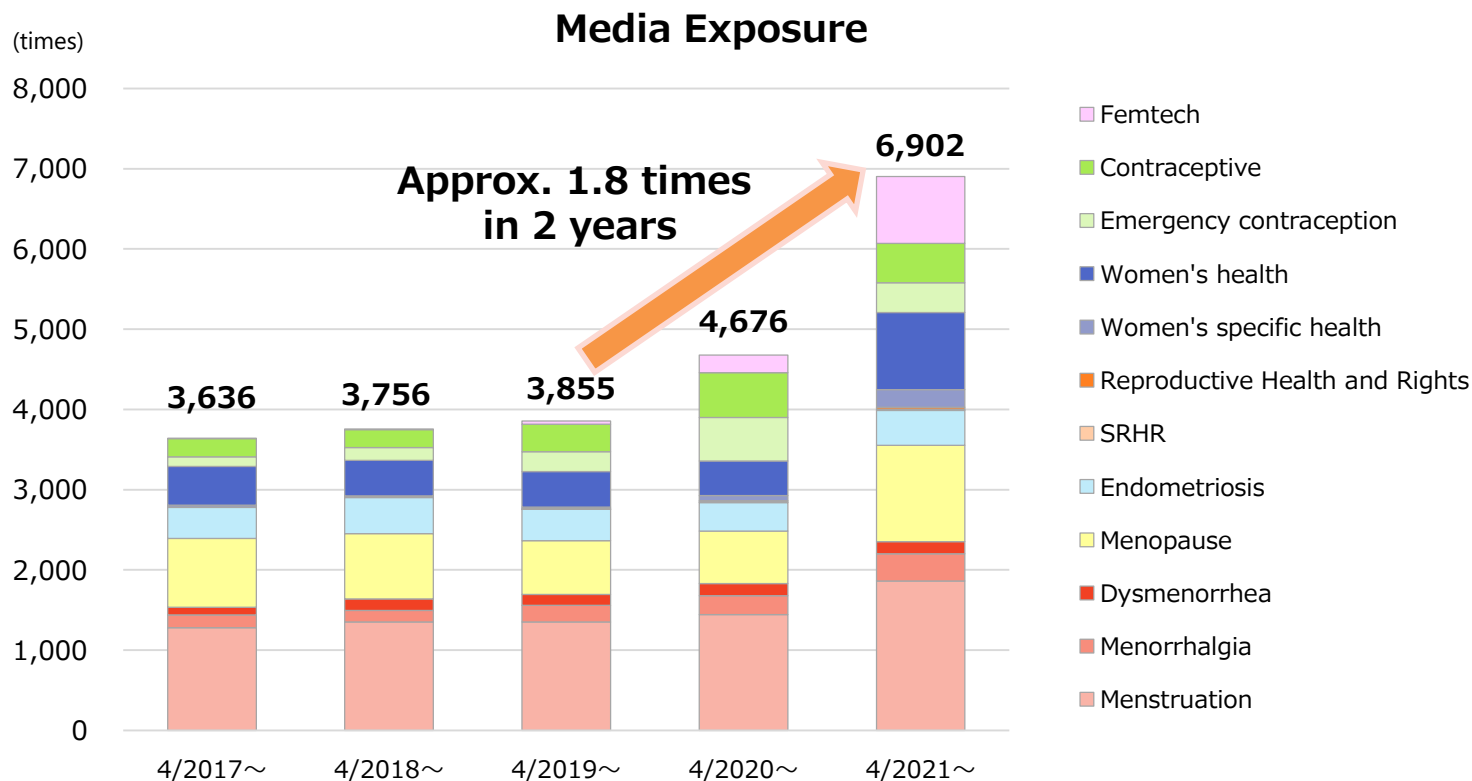


➤ Women's life stage and key health issues unique to women



Women's Healthcare : Women's health issues=Social issues

- ✓ In recent years, media attention to women's health issues is rising. Media exposure has been increasing approx.1.8 times in 2 years.
- ✓ Increased recognition that women's health issues is the social issue.

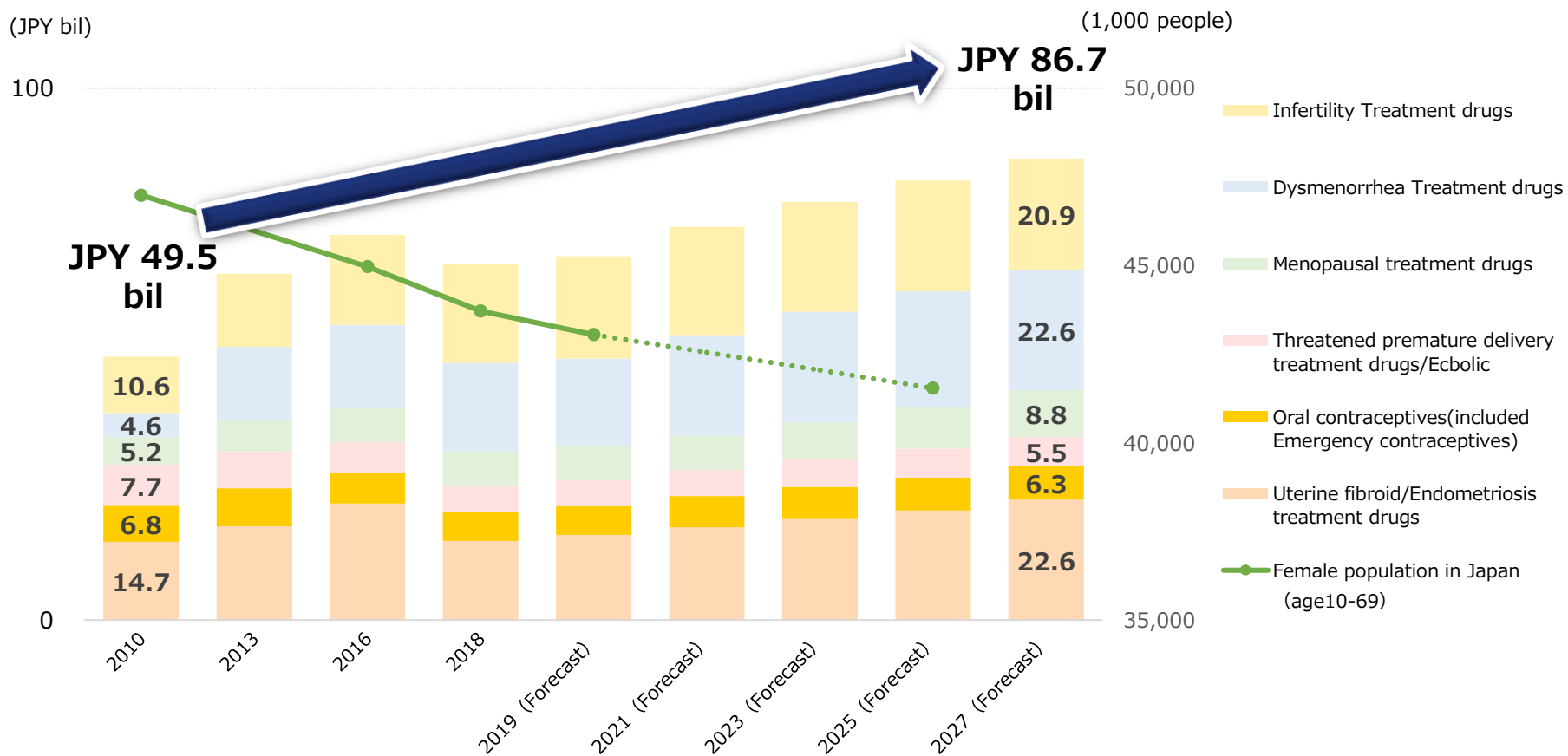


※Nikkei Telecom (April 28, 2017-April 27, 2022)
 Number of search results for each keyword in newspapers, magazines, and news (Search date: April 27, 2022)

Women's Healthcare : Domestic market

- Medication is one of the options for women's health issues.
- Gynecologic medical drug market is expanding despite population decrease.

➤ Transition of domestic gynecologic medical drug market and female population (age 10-69)



【 Puberty ~ Reproductive period 】

- Dysmenorrhea・Endometriosis
 - Dysmenorrhea Treatment drugs : 63% increase on a volume basis in the last two years ※1

【 Reproductive period 】

- Birth control
 - Oral contraceptives : Penetration rate **2.9%** (France 33.1%, USA 13.7%) ※2
 - Emergency contraceptives : Known by only **50%** of women ※3
- Pregnancy・Childbirth
 - Late childbearing : Late childbearing ratio in total number of birth (Over age 35) ※4 In 1990 few %→Year of 2010 20%→year of 2020 increasing to 30%
 - Infertility treatment : Infertility treatment covered by public health insurance from Apr 2022

【 Menopause 】

- Menopausal disorder
 - Estimated as 7 million women, more than half of the menopausal generation, having menopausal symptom.
Based on an online survey of 3,888 women of menopausal generation (40-60 years old) ※5
 - **155 thousand people** estimated to take menopausal treatment ※6

※1) Source: IQVIA date JPM (September 2018 MAT, September 2020 MAT) Copyright © 2022 IQVIA. All rights reserved

※2) Source: United Nations:"Contraceptive Use by Method 2019 (from the rate of implementation of each contraceptive method in age 15 to 49 year-old marital status or equivalent reproductive age women).

※3) Source: 8th Survey Report on Life and Awareness of Males and Females in 2016 (Japan Family Planning Association)

※4) Source: Fuji pharma compiled based on the 2020 Vital Statistics Survey by the Ministry of Health, Labour and Welfare

※5) Estimated by Fuji pharma based on the Survey Results Report on Menopausal Disorder and Its Symptoms: Qlife"

※6) Estimated by Fuji pharma based on the materials published by the Ministry of Health, Labour and Welfare's Director-General for General Policy and Evaluation (in charge of statistics and information policy, and policy evaluation)

Women's Healthcare : Raising awareness

- Sponsorship of various seminars on women's health

Theme	Title	Organizer
To support the health and promote the active role of women, mainly in physiology	Physiological comfort project	Nikkei BP Research Institute
Reproductive Health & Rights	NIKKEI Round career classes	Nihon Keizai Shimbun, Inc.
Proper information delivery on the body of women and promotion of gynecologic visitation	「I LADY.」 Online seminar	JOICFP, a public benefit foundation
Women's minds and bodies	Let's start our Healthy Mind and Physical Talks.	Women's Health Action Implementation Commission, CINRA, Inc.

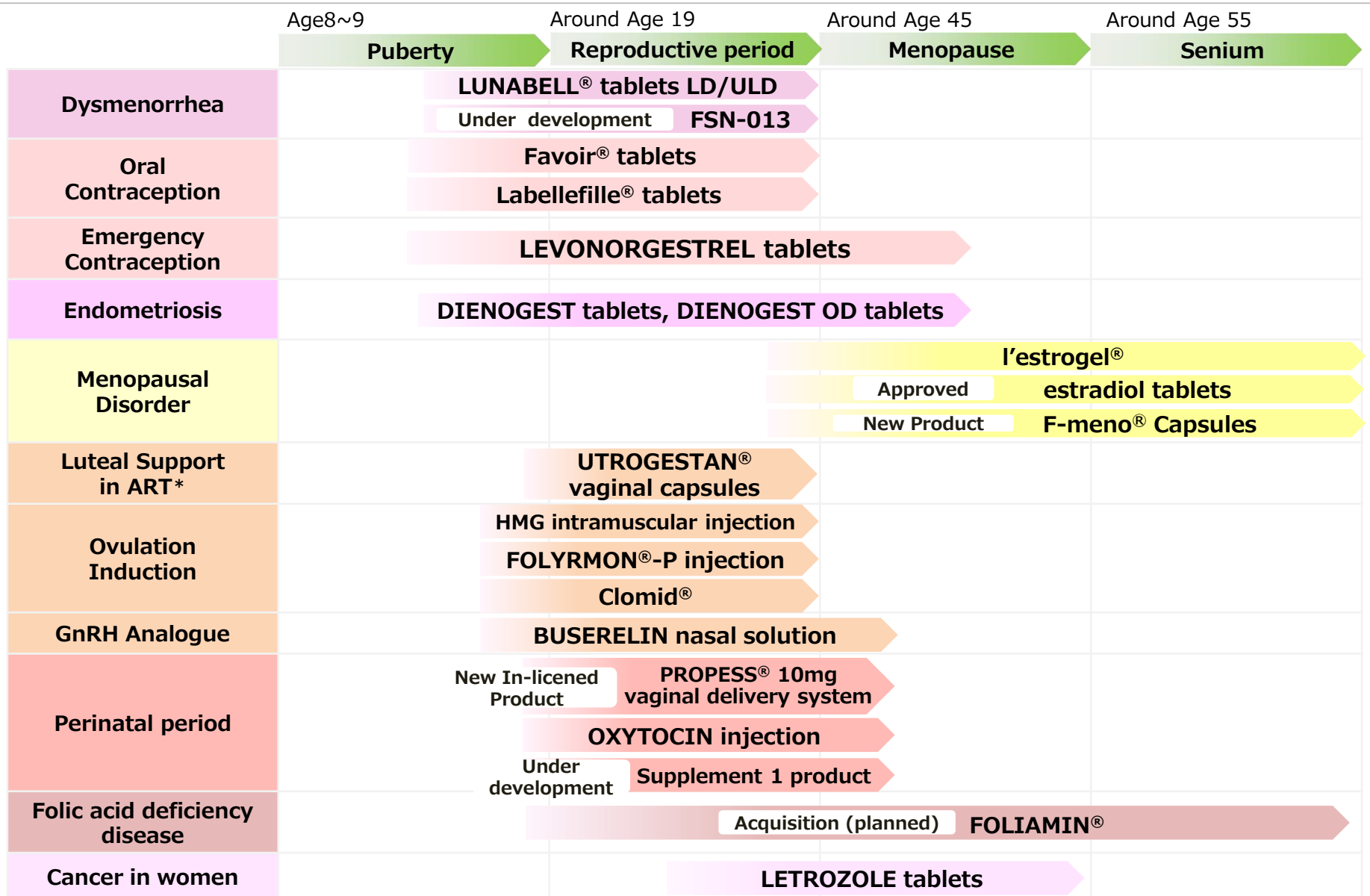
- Utilization of health-support app "LiLuLa"



- Sponsorship in Nippon Keizai Shimbun, an article advertising on the application of infertility treatment insurance.



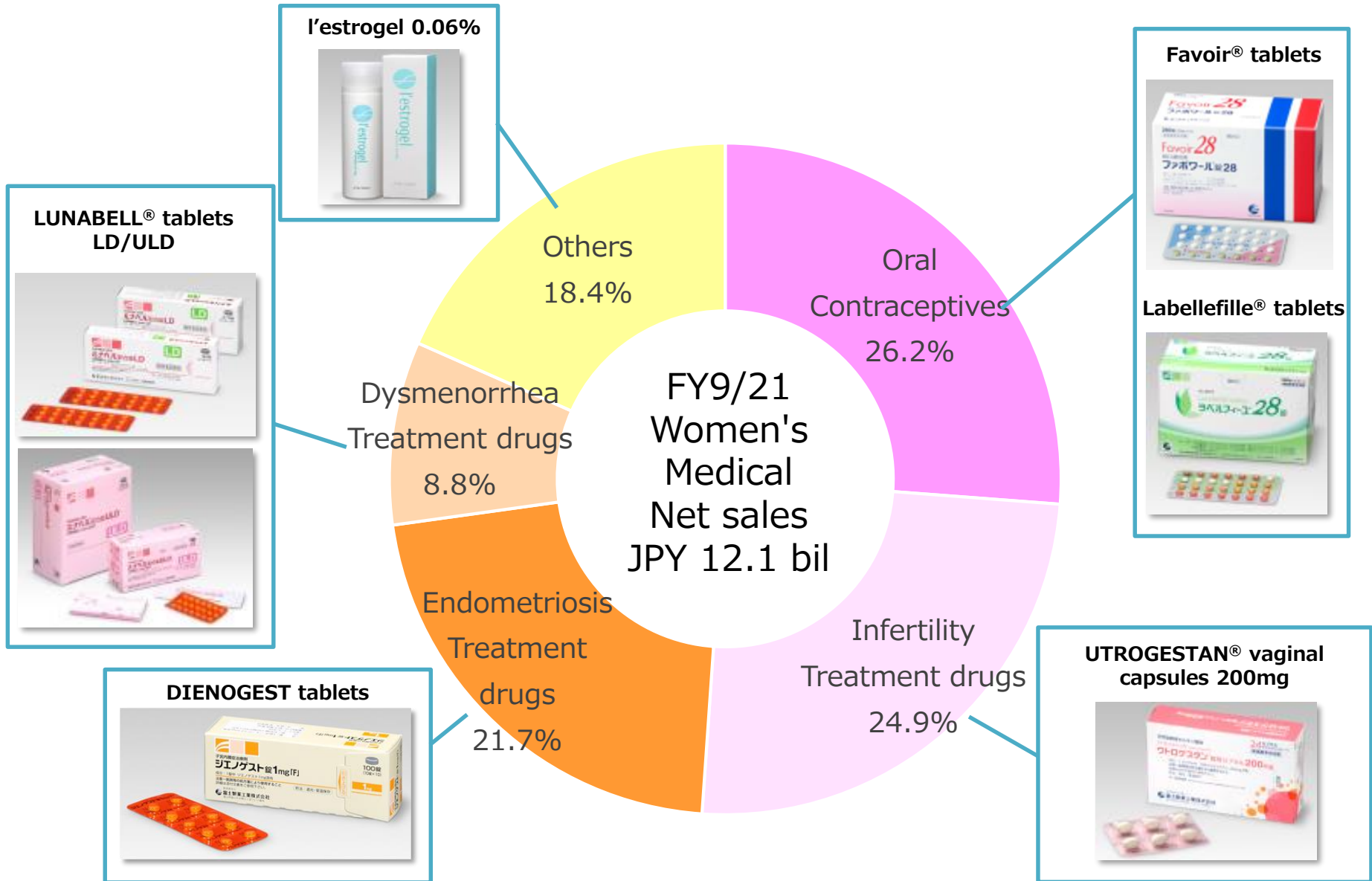
Women's healthcare : Product Portfolio



* ART = Assisted Reproductive Technology

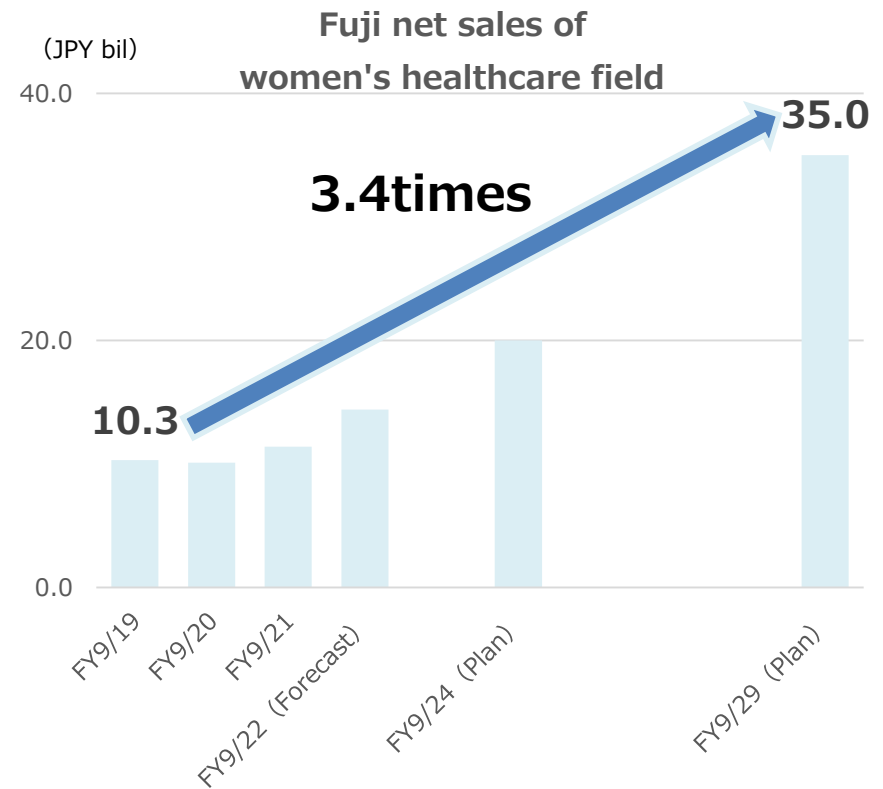
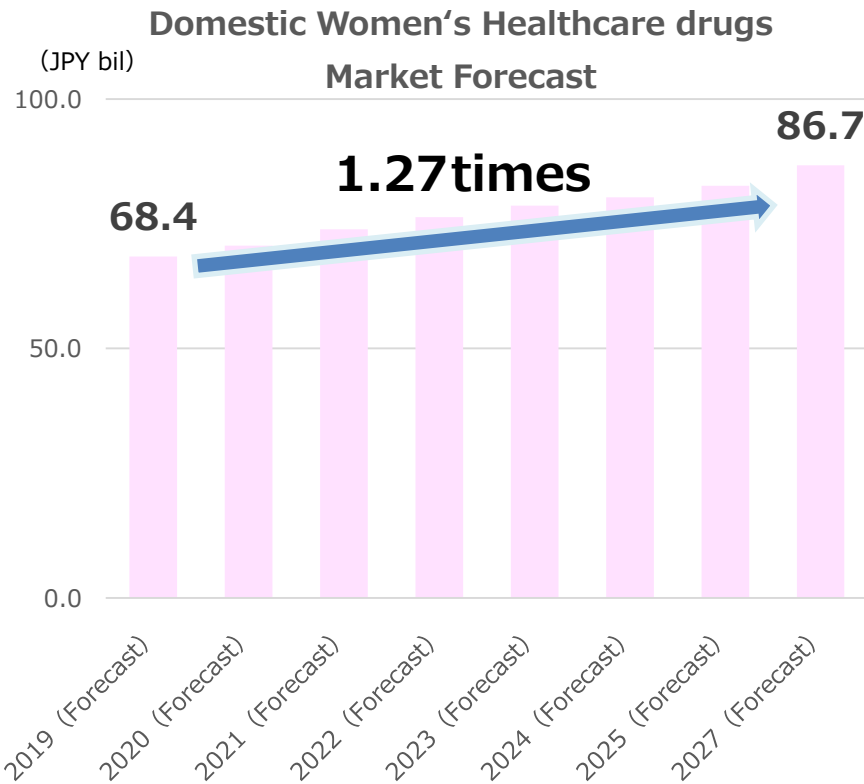


Women's Healthcare : Sales Composition



Women's Healthcare : Sales trends and market share

- As a pioneer in hormone drugs, established a solid presence in women's healthcare.
- Our purpose is to contribute to improving well-being of women.
- While enhancing its presence as a specialty pharma company, Fuji fulfills its mission of solving health problems for women.



※Source: Fuji Keizai Co., Ltd. (2018-2019 Ethical Drug Data Book No.4)

Women's Healthcare : Fuji Pharma's contribution to issues

【 Puberty ~ Reproductive period 】

- Dysmenorrhea・Endometriosis
 - Dysmenorrhea Treatment drugs : 63% increase on a volume basis in the last two years ※

Development of “FSN-013” in Japan and ASEAN is going well

	Japan	Tie
Expected indications	Dysmenorrhea Pain associated with endometriosis	Contraception
Development progress	From August 2021 During Phase III	Applied import approval in September 2021 (accepted in November)
Launching period	2024 (target)	2023 (target)
	<ul style="list-style-type: none"> • Joint development and sales contract with M3, Inc. • Development: Clinical trials conducted by CRO, a M3 subsidiary →Both companies share progress and thoroughly manage schedules. • Sales: Use M3's e-promotion for F-meno[®] sales promotion. FSN-013 will also be supported by M3. 	<ul style="list-style-type: none"> • Planning in-house sales in OLIC in Thailand. Expanding Sales&Marketing organisation • License process in Thailand proceeds as planned. • Introduced GE products for women's healthcare and preparing for import approval application to expand portfolio. • Sublicenses planned in ASEAN other than Thailand.

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【 Reproductive period 】

● Birth control

- Oral contraceptives : Penetration rate **2.9%** (France 33.1%, USA 13.7%) ※1
- Emergency contraceptives : Known by only **50%** of women ※2

Strengthen enlightenment and manufacturing capacity of oral contraceptives (Favoir[®], Labellefille[®]).

● Pregnancy・Childbirth

- Late childbearing : Late childbearing ratio in total number of birth (Over age 35) ※3 In 1990 few %→Year of 2010 20%→year of 2020 increasing to 30%

Global Standard Therapy to Japan by Acquisition of Distribution Rights of PROPESS[®]

- Infertility treatment : Infertility treatment covered by public health insurance from Apr 2022

**Add NHI price list 1 item, add indication 8 ingredients 13 items.
Meet domestic fertility treatment demand(Approx. 2 times※4) with our products**

※1) Source: United Nations:"Contraceptive Use by Method 2019 (from the rate of implementation of each contraceptive method in 15-to 49-year-old marital status or equivalent reproductive age women)."

※2) Source: "8th Survey Report on Life and Awareness of Males and Females 2016 (Japan Family Planning Association)

※3) Source: In-house compilation based on the 2020 Population Dynamics Survey by the Ministry of Health, Labour and Welfare

※4) Source: Fuji Keizai Co., Ltd. (current status and future outlook of fertility treatment market in which insurance coverage is applied)



【 Menopause 】

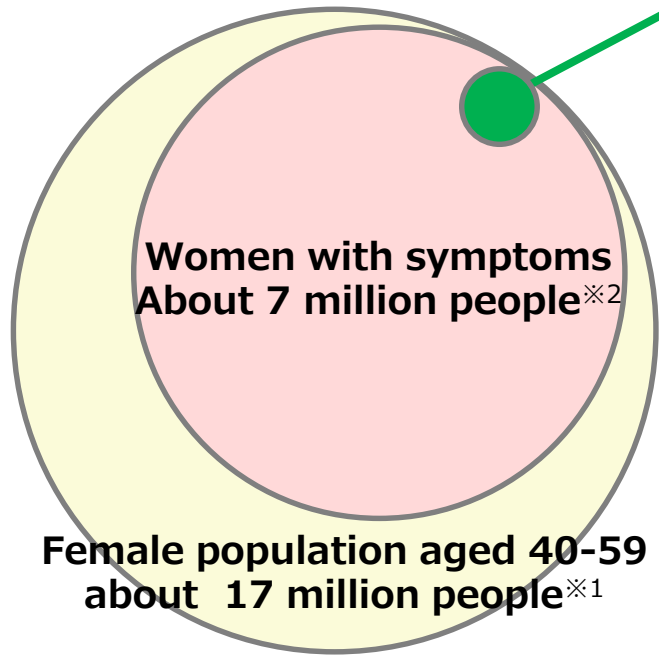
● Menopausal disorder

- Estimated as 7 million women, more than half of the menopausal generation, having menopausal symptom.

Based on an online survey of 3,888 women of menopausal generation (40-60 years old) ※1

- **155 thousand people** estimated to take menopausal treatment ※2

Menopausal female population and number of menopausal treatments



Treatment rate of only **2%**
(treated patients/women with symptoms)

Disease
enlightenment

New drugs +
existing products

- Enhanced well-being of women in menopausal age
- Expand sales

※1) Our estimates based on the "Survey Results Report on Menopausal Disorder and Its Symptoms: Qlife"

※2) Our estimates are based on the materials published by the Ministry of Health, Labour and Welfare's Department of Policies Control Secretary (in charge of statistics and information policy, and policy evaluation)

Chapter 1 Summary of FY9/22 2Q Consolidated Financial Results

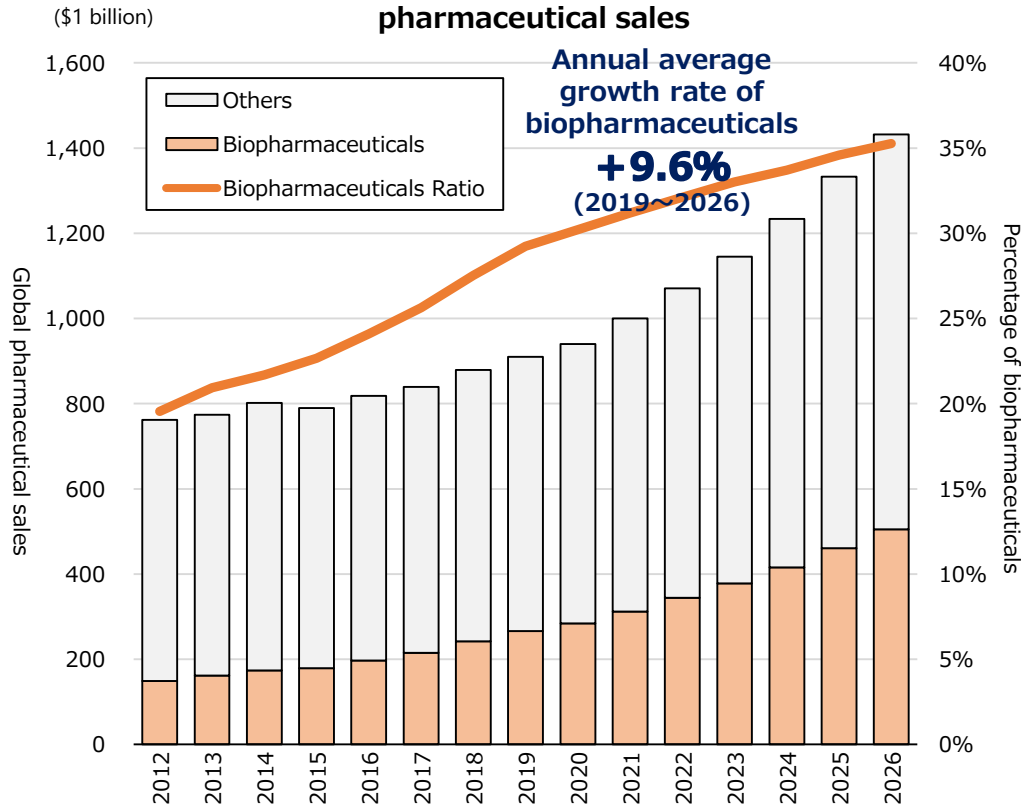
Chapter 2 Mid-Term Business Plan Progress

- Overview
- Women's Healthcare
- **Biosimilar**

Biosimilars : Domestic market

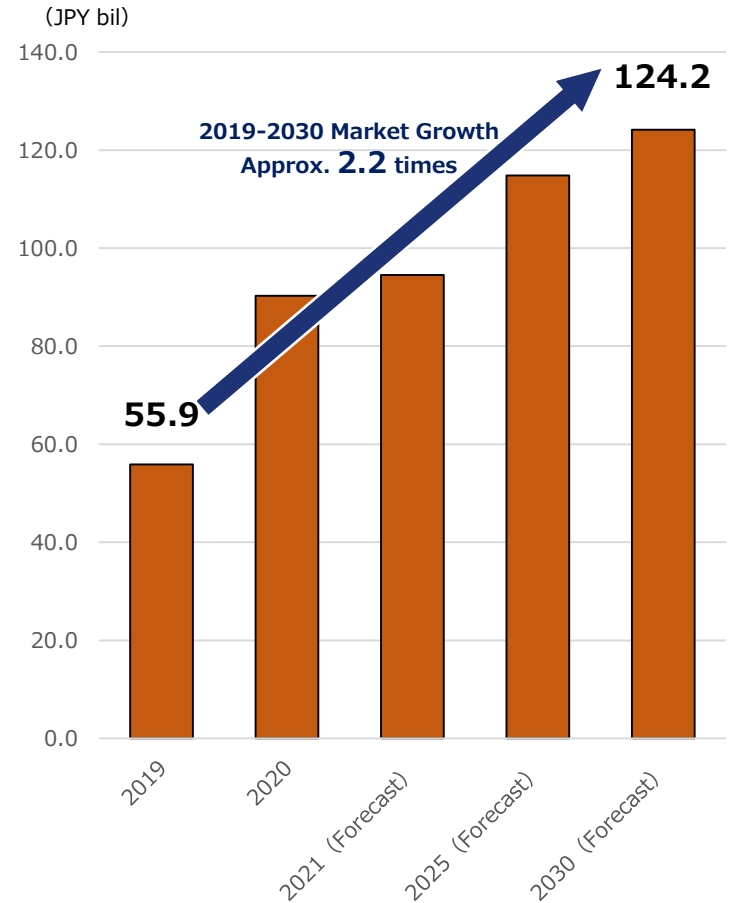
- Biopharmaceuticals, launched in the 1970s, faces patent expiry.
- Biosimilars are gradually replacing expensive biopharmaceuticals to reduce medical costs, and the market is expanding

Biopharmaceuticals as a percentage of global pharmaceutical sales



Source : EvaluatePharma"World Preview2020"

Domestic Biosimilar Market



Biosimilars : Domestic Situation

- Gradually advancing the use of biosimilars as a national medical policy
 - April 2020: New incentive for introduction of biosimilars was established at the time of Revision of Medical Fee
 - September 2021: Promoting the use of biosimilars was specified in the Pharmaceutical Industry Vision 2021
 - April 2022: Incentive for introduction of biosimilars was expanded at the time of Revision of Medical Fee, etc.

Pharmaceutical and Food Examination

Notification No. 0304007

Guidelines for biosimilars definition, coverage, and ensuring quality, safety and efficacy

Revision of Medical Fee
New incentives for biosimilar introduction

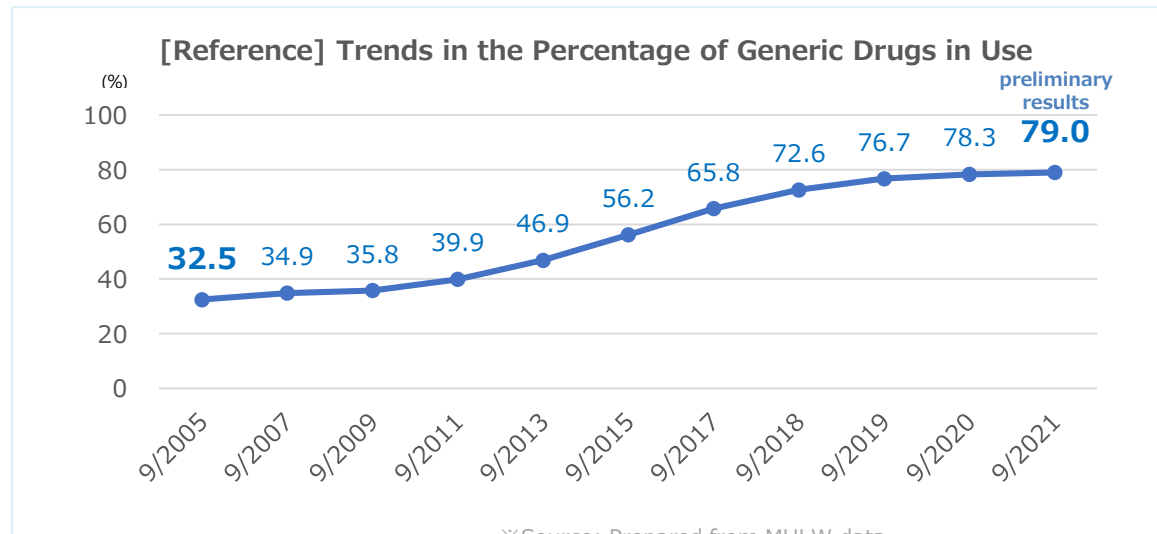
Revision of Medical Fee
Expanded range of incentives for biosimilar introduction



Pharmaceutical Industry Vision 2013
Strengthen R&D and manufacturing technologies for biopharmaceuticals and biosimilars

Comprehensive Strategy for Enhancing the Pharmaceutical Industry 2015
Promoting the use of generic products and studying ways to promote the use of biosimilars and setting targets are clearly stipulated

Pharmaceutical Industry Vision 2021
Promoting the use of biosimilars and examining the setting of targets are specified.
Basic Policies for Economic and Fiscal Management and Reform 2021
Includes consideration of setting biosimilar targets based on medical cost optimization effects



※Source: Prepared from MHLW data

(Quantity share refers to the quantity share of "generic drugs" with "Original drugs with generic drugs on the market" and "generic drugs" as the denominator.)



Biosimilars : Domestic approval status and our strategy

- Biosimilars have high entry barriers
 - High cost for domestic development (clinical trials are required)
 - Necessity of securing API to achieve stable supply
 - Manufacturing facilities and technologies for a wide variety of dosage forms of biopharmaceuticals

■ Domestic biosimilar approval status

- 16 ingredients 37 items approved (as of May 2022)
- 6 ingredients are approved for only 1 company (37.5%).

Number of approved companies
per ingredient: 2.25

Number of distributors
per ingredient: 2.38

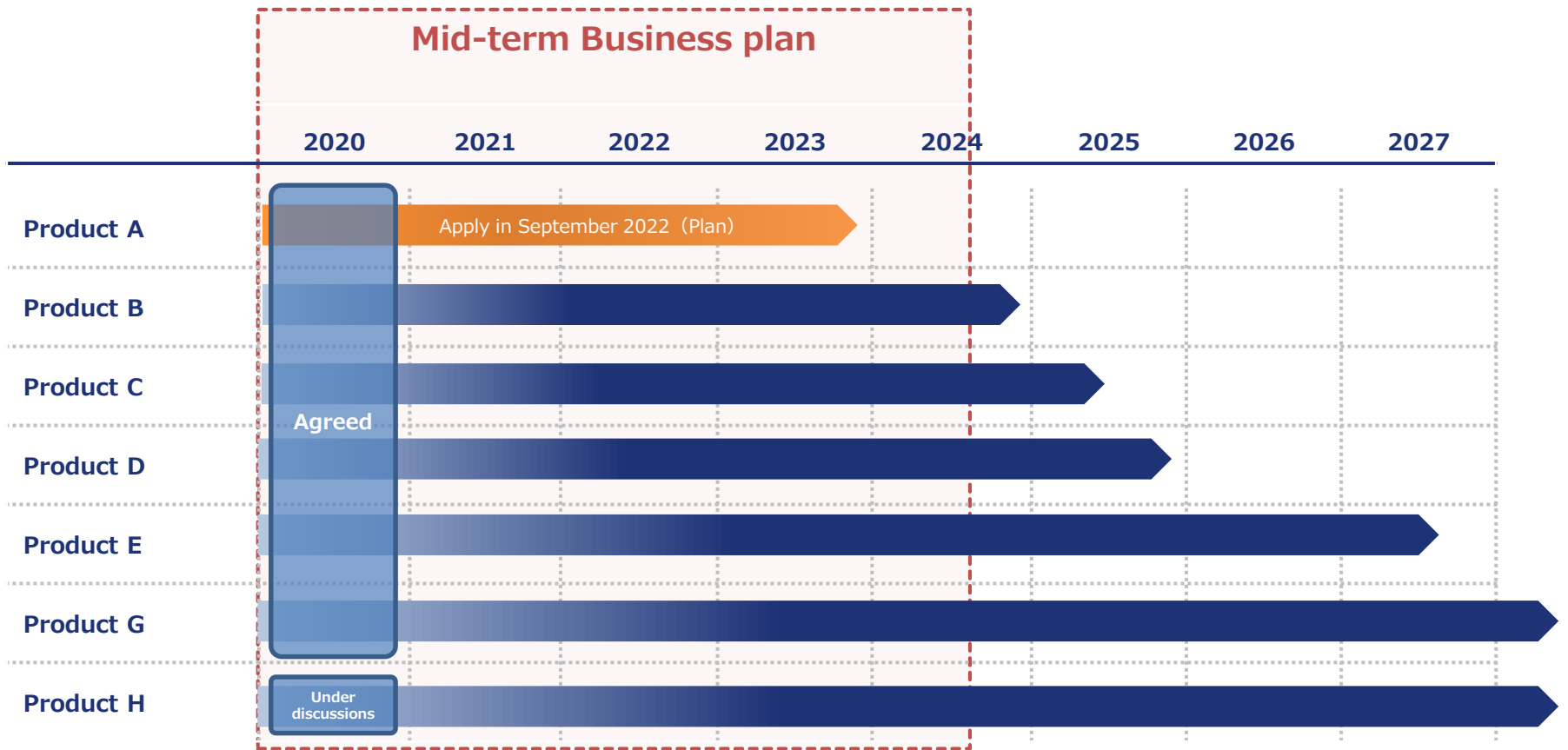
■ Our strategy

- **Exclusive partnership with Alvotech for development and commercialization of biosimilars in Japan (November 2018)**
 - Already secured a large number of development candidates
 - Alvotech's excellent cost-competitive ability and API supply capabilities, with many foreign sales partners
 - Collaborative development by Alvotech and Fuji
 - Preparing for manufacturing both abroad and domestically (domestic = high potent multi-syringe line at the Toyama Plant)

Biosimilars : Development progress

- November 2018 : Agreed the partnership with Alvotech to commercialize biosimilars in Japan
- February 2022 : Agreed the terms with Alvotech for the development and marketing of 1 product in Japan

Fuji & Alvotech have reached agreement on the terms for total 6 products
 (Domestic leading original drugs market size: approximately JPY 220 bil in total)



※Time horizon is shown as Fuji's target

※Product F: Discontinued



Biosimilars : Acquisition of 4 products from Nihon Pharmaceutical Co., Ltd.

● Overview

- December 28, 2021 : Concluded an asset transfer agreement to acquire marketing approval for 4 products from Nihon Pharma
- February 28, 2022 : Completion of the asset transfer related to the acquisition from Nihon Pharma
- From March 2022 : Recording net sales of 4 products
- ※ The timing of acquisition will be discussed and decided in the future

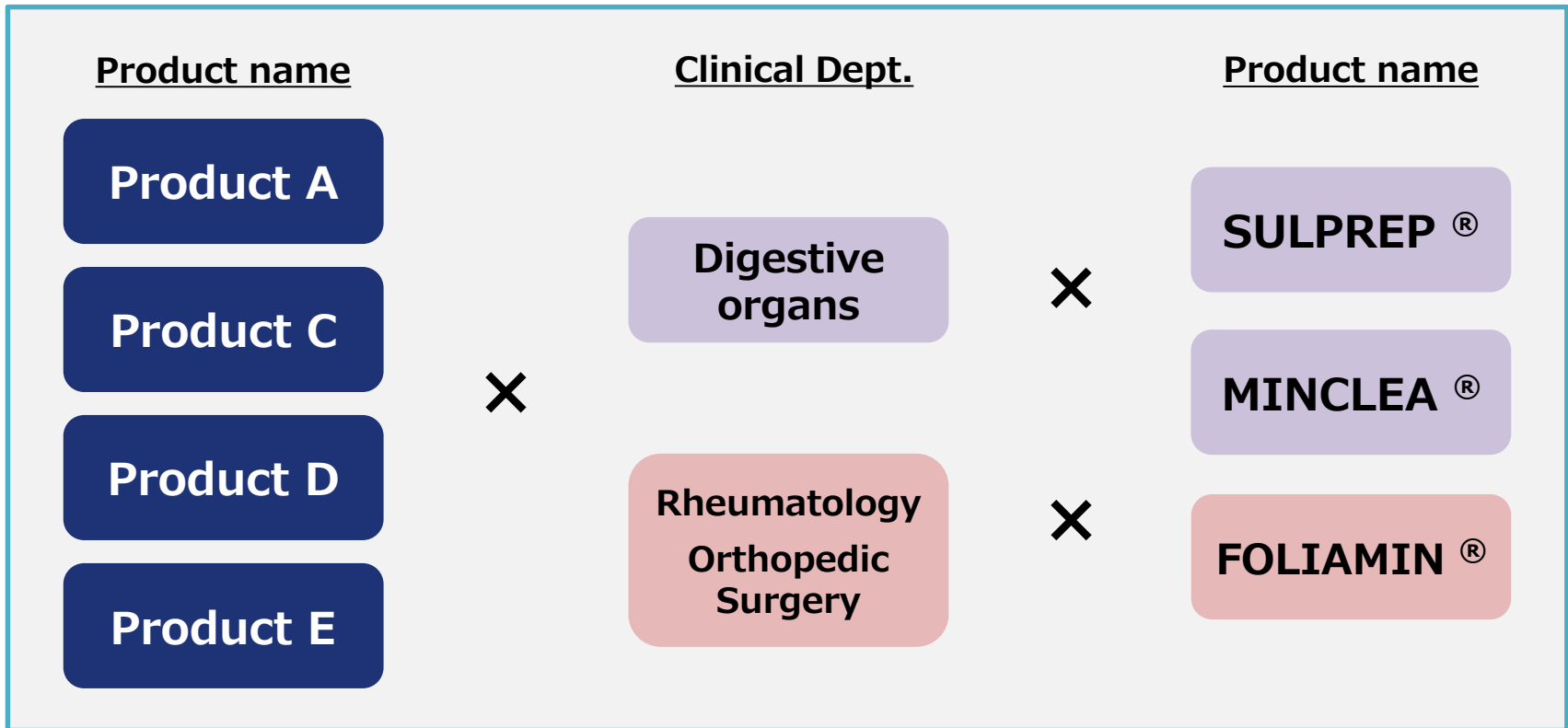
● 4 products acquired

	SULPREP [®]	MINCLEA [®]	FOLIAMIN [®]	OSVAN [®]
Launched	2021	2011	1989	1976/1995/1998
Indications	Elimination of intestinal contents in pretreatment during colonoscopy	Suppression of gastric peristalsis during upper gastrointestinal endoscopy	Prevention and treatment of folate deficiency	Disinfection of fingers, skin, surgical site, etc.
Dosage form	PET bottle formulation	Injection	Powders, tablets, and injection	Liquid

Biosimilars : Leveraging products acquired from Nihon Pharma

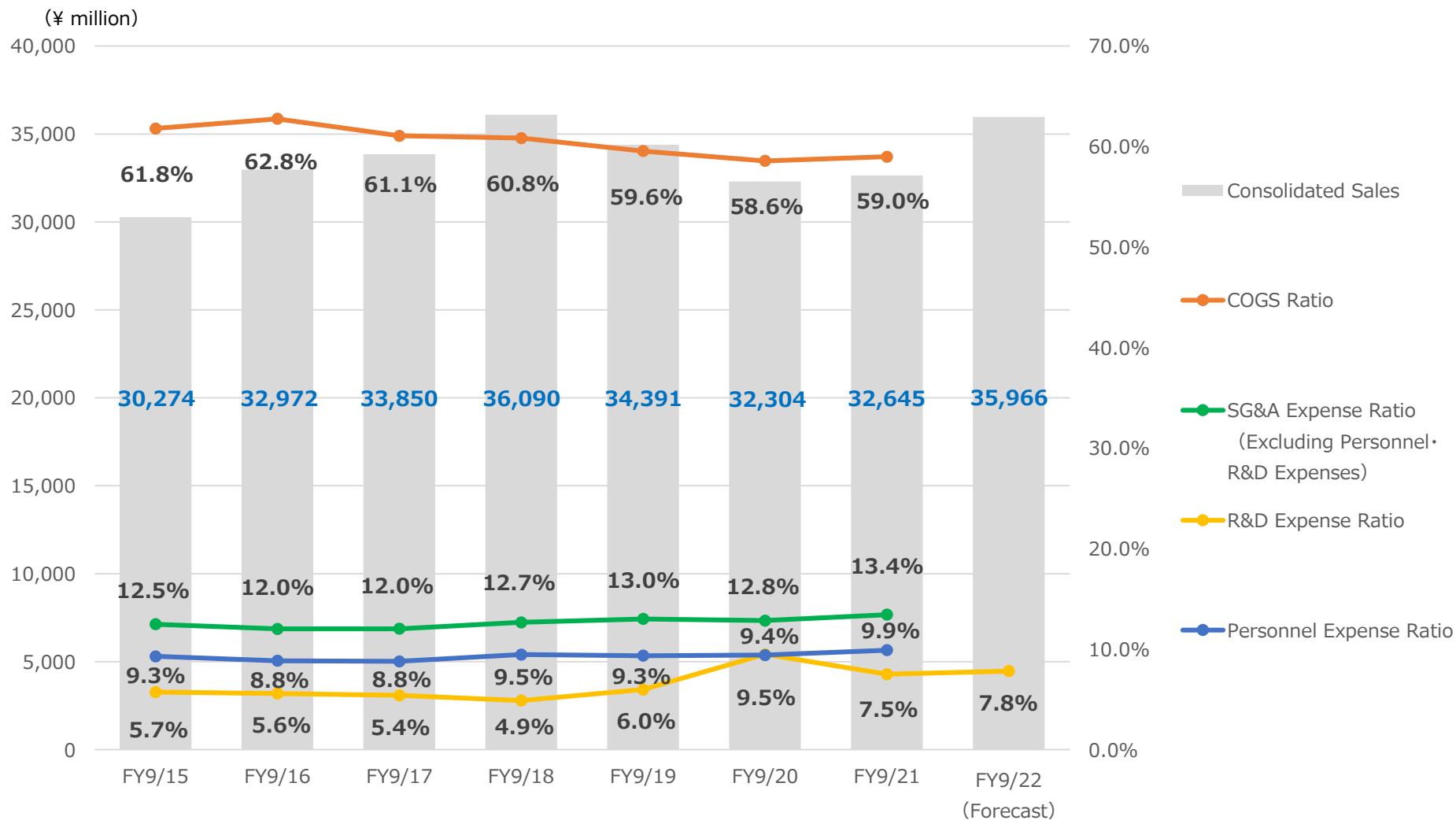
- Purpose of Acquisition

- Foundation for future sales of biosimilars
- With the products acquired from Nihon Pharma, we will build relationships with medical departments to secure a foundation for marketing of biosimilar products

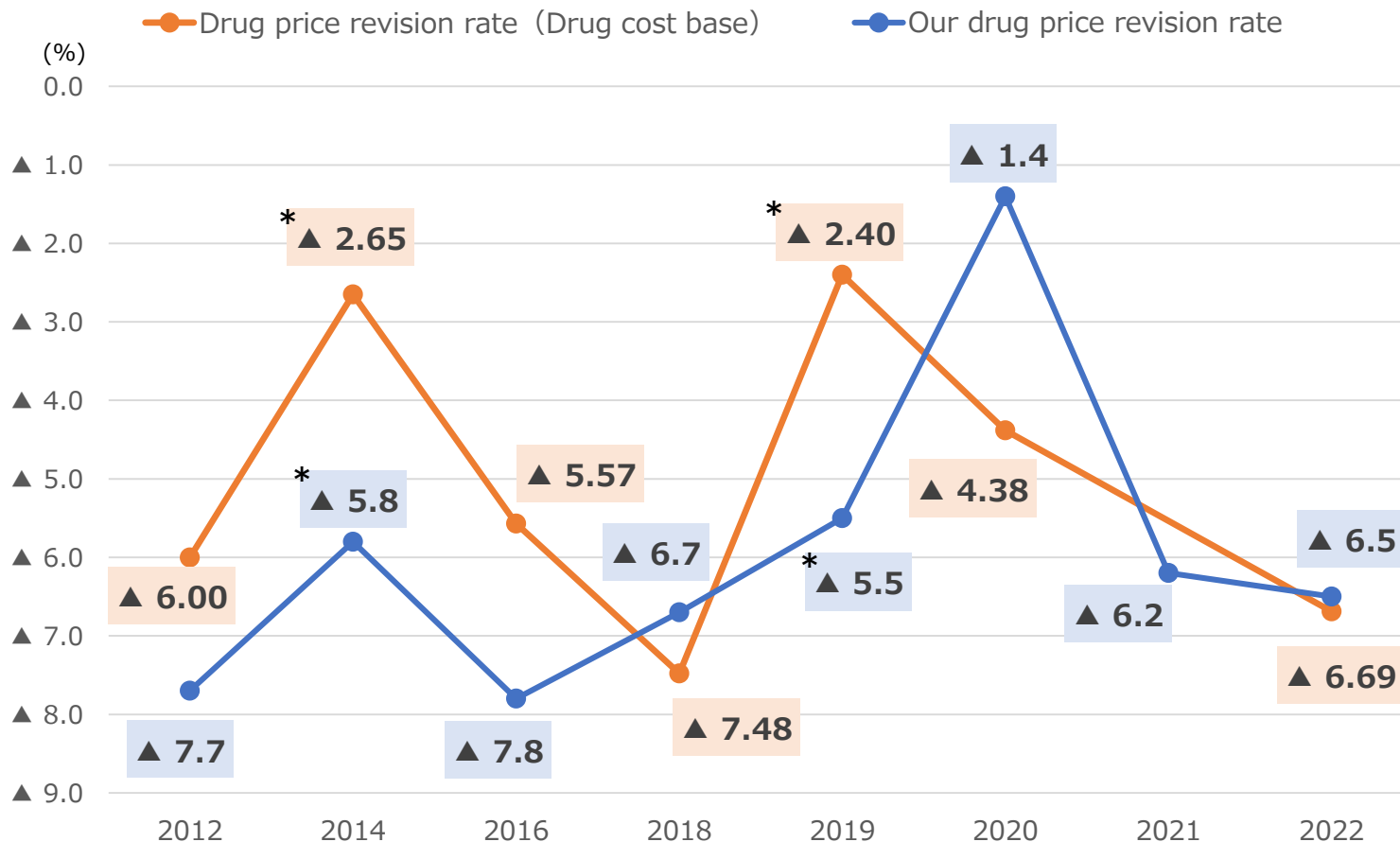


Appendix

COGS, SG&A, and R&D expenditure ratios trends (New accounting standards)



Impact of NHI drug price revisions



* : Including an increase due to consumption tax hike

Sales of 6 key products

(JPY bil)

WH 6 Products	Adaptation	Situation	9/2020	9/2021	9/2022 2Q (Actual)	9/2024 (Plan)
LEVONORGESTREL (the same)*	Emergency contraception	Market expansion due to launch of generic drugs Maintain +80% volume share	0.6	0.8	0.4	1.5
Favoir® (Ethinylestradiol / Desogestrel)*	Contraception	Domestic oral contraceptive market No.1 volume by manufacturer	1.0	1.3	0.7	2.7
Labellefil® (Ethinylestradiol /Levonorgestrel)*			0.8	1.0	0.5	3.3
UTROGESTAN® (Progesterone)*	Luteal Supplementati on in ART	No.2 volume share	0.7	0.8	0.5	0.8
DIENOGEST (the same)	Endometriosis	The market continues to expand Our market share is steadily expanding	1.3	1.7	0.8	1.2
l'estrogel (Estradiol)	Menopausal disorder	CAGR 10%	0.2	0.3	0.1	0.5
Total			4.8	6.1	3.2	10.0

* Drug price not listed

ART: Assisted Reproductive Therapy



Overview

- Next-generation novel dysmenorrhea drugs
- Combination with progesterone (drospirenone)
- Estetrol is a novel unique estrogen
- It is expected and developed to reduce the commonly reported side effects of a combination containing estrogen (ethinylestradiol), which is used in conventional LEP.
- Approved in US and Europe




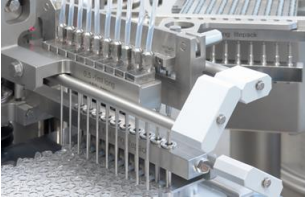


Characteristics

- Lower coagulant impact compared with existing products
- Lower interaction among drugs
- Expect better bleeding control
- Lower lipid impact
- Less likely to gain weight

Development in Japan

- Indication :** Dysmenorrhea
Improvement effect on pain associated with endometriosis
- Stage :** Conducting Phase III
- Launch :** 2024 (target)

Capex on Toyama Plant

	2019	2020	2021	2022	2023
<p>New tablet building WH</p> <ul style="list-style-type: none"> ● Hormone tablet manufacturing / expand testing capacity ● High containment technology for hormone tablet manufacturing ● Response to PIC/S GMP inspection standards <p style="text-align: right;">JPY 3.9 bil *</p>		<p>Ground Breaking (Dec.)</p>	<p>-----></p>	<p>PV (Nov.)</p> 	
<p>Adding ampoule/vial line</p> <ul style="list-style-type: none"> ● Expand injection manufacturing capacity ● High containment technology for high pharmaceutical active injection formulation ● Response to PIC/S GMP inspection standards <p style="text-align: right;">JPY 2.4 bil *</p>	<p>Ground Breaking</p>	<p>-----></p> 	<p>-----></p>	<p>PQ (Mar.)</p> 	
<p>High Potent Multi-Syringe Line BS</p> <ul style="list-style-type: none"> ● Compatible with various syringe formulations and new products ● Expanding CMO business and exports to Europe and US ● Strengthen injection formulation technological Capabilities of Injection Formulations <p style="text-align: right;">JPY 4.0 bil *</p>				<p>Ground Breaking (Jul.)</p>	<p>-----></p> <p>PV (Oct.)</p> 
<p>New packaging / warehouse building</p> <ul style="list-style-type: none"> ● Expand injection packaging capacity ● Expand product storage capacity ● Improve manufacturing workability <p style="text-align: right;">JPY 2.0 bil *</p>		 <p style="text-align: center;">New warehouse building</p>	<p>Ground Breaking (Jun.)</p>  <p style="text-align: center;">New packaging building</p>	<p>-----></p>	<p>Completion</p> <p>New packaging building (Mar.)</p> <p>New warehouse building (Apr.)</p>

Note on forecast and prospects

The financial forecasts and other projections provided in this presentation are based on information available at the time of its compilation and it therefore contains an element of uncertainty and potential risks.

Actual results may differ significantly from these forecasts for a number of reasons.

It should also be noted that the views and/or facts presented here may be altered or deleted without prior notification.

Information in this presentation about pharmaceuticals (including items in the pipeline) is not provided for the purpose of marketing or advertising or of supplying medical advice.

Contact Information

Fuji Pharma Co., Ltd.
Corporate Communication Section
Corporate Planning Department

E - Mail : fsk_ir@fujipharma.jp

U R L : <https://www.fujipharma.jp/>

