



FujiPharma

Fuji Pharma Co., Ltd.

FY9/2022 Investor Meeting

November 22, 2022

Presentation

Moderator: Good afternoon. Thank you for joining us today for the financial results briefing of Fuji Pharma for the fiscal year ending September 30, 2022.

First of all, I would like to introduce today's speakers. Takayuki Iwai, President and CEO. Takeshi Sato, Executive Corporate Officer, Corporate Planning.

Mr. Sato will give an overview of the financial results for the fiscal year ending September 30, 2022, and the consolidated earnings forecast for the fiscal year ending September 30, 2023. Mr. Iwai will discuss each of the priority measures for the fiscal year ending September 30, 2023.

We will then proceed to the question-and-answer session. We will be happy to answer as many questions as time permits, so please do not hesitate to contact us with any questions you may have.

We will now make a start with the presentations. Mr. Iwai, over to you.

Iwai: Thank you for joining us today. Thank you.

On to the presentations. Mr. Sato will give an overview of the consolidated financial results for the fiscal year ended September 30, 2022, and the consolidated earnings forecast for the fiscal year ending September 30, 2023.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



FY9/22 Financial Result Highlights

- **Higher sales and profits due to contribution from new products, existing women's healthcare products and OLIC**

- Sales: Up 4.2% YoY, driven by contributions from new products, acquired products, and existing women's healthcare products
- Profit: Up 12.8% YoY due to SG&A expenses saving
- OLIC: Sales up 34.5% YoY due to an increase in new CMO contracts

- **R&D Related Topics**

- F-meno® Capsules: Launched
- Generic drugs: 2 products approved, and new application co-developed with Lotus
- FSN-013 : Phase III in process as planned



©2022 Fuji Pharma Co., Ltd. All rights reserved.

4

Sato: Sato here. Thank you.

First, an overview of our consolidated full-year financial results.

For the period ending September 30, 2022, sales and profits increased due to contributions from new products, such as F-meno, acquired products and sales partnerships such as Propess, and existing women's health products, including oral contraceptives. The combination of sales growth and efforts to control SG&A expenses resulted in a growth in operating profit of 12.8%, against a 4.2% growth in sales. In addition, OLIC, our subsidiary in Thailand, achieved a significant revenue increase of 34.5% thanks to proactive work to increase contracted projects.

As for R&D-related topics for FY2022, in addition to what I discussed at the financial results briefing for H1, we have filed for approval of a generic product. This was our first joint development project with Lotus in Taiwan.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



3

Summary of FY9/22 Consolidated Financial Results

- Net sales: +1,436 JPY million (+4.2% YoY) due to an increase in sales in the women's healthcare field and an increase in OLIC contracts
- Operating Profit: +428 JPY million (+12.8% YoY) due to SG&A expenses saving

(\$million)	FY9/21	FY9/21	FY9/22	YoY Change		FY9/22	vs Fcst
	Full Year	Full Year	Full Year	(Old accounting standards)		Forecast	
	Old accounting standards	New accounting standards	New accounting standards	Amount	Ratio	New accounting standards	Progress Ratio
Net Sales	33,990	32,645	35,426	1,436	4.2%	35,966	98.5%
Gross Profit	14,751	13,406	14,558	▲ 193	-1.3%	-	-
Gross Margin	43.4%	41.1%	41.1%	-	-	-	-
SG&A Expenses	11,402	10,056	10,781	▲ 621	-5.4%	-	-
SG&A Margin	33.5%	30.8%	30.4%	-	-	-	-
Operating Profit	3,349	3,349	3,777	428	12.8%	3,490	108.2%
Operating Margin	9.9%	10.3%	10.7%	-	-	9.7%	-
Ordinary Profit	3,250	3,250	3,725	475	14.6%	3,540	105.2%
Ordinary Margin	9.6%	10.0%	10.5%	-	-	9.8%	-
Profit Attributable to Owners of Parent	2,432	2,432	2,696	264	10.9%	2,562	105.2%
Profit Margin	7.2%	7.4%	7.6%	-	-	7.1%	-
ROA	5.2%		5.3%				
ROE	6.7%		7.9%				
Net income per Share (Yen)	90.54		111.01				
Dividend payout ratio	32.0%		31.5%				
EBITDA* ¹	5,243	5,243	6,252	1,009	19.2%	5,250	119.1%
EBITDAR* ²	7,689	7,689	8,738	1,049	13.6%	8,059	108.4%
Capital Expenditure	3,392	3,392	7,150	3,758	110.8%	7,172	99.7%
Depreciation (Including Leased Equipment)	1,893	1,893	2,475	582	30.7%	1,760	140.6%
R&D Expenses	2,446	2,446	2,485	39	1.6%	2,809	88.5%
R&D Expenses Ratio	7.2%	7.5%	7.0%	-	-	7.8%	-

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

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

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



©2022 Fuji Pharma Co., Ltd. All rights reserved.

5

This has mostly been covered on the previous page, but I will just mention three additional points.

First, gross profit margin. As you can see in the upper part of the table, although it appears to have declined from the previous year, the Company's calculations show a discrepancy of approximately 2 to 3 percentage points between the new and old accounting standards. The table shows both old and new. If we look at the accounting standards together, we can see that the actual situation remains unchanged.

Second, at the bottom of the chart, depreciation expenses increased due to the progress of capital investment in the Toyama Plant and positive investments such as the acquisition of sales rights. Therefore, EBITDA increased by approximately 20%, which is a significant increase.

Third, in the middle, I have explained that we aim for a dividend payout ratio of 30%. As net income grows, so does the dividend. We are seeing this kind of virtuous cycle emerging.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

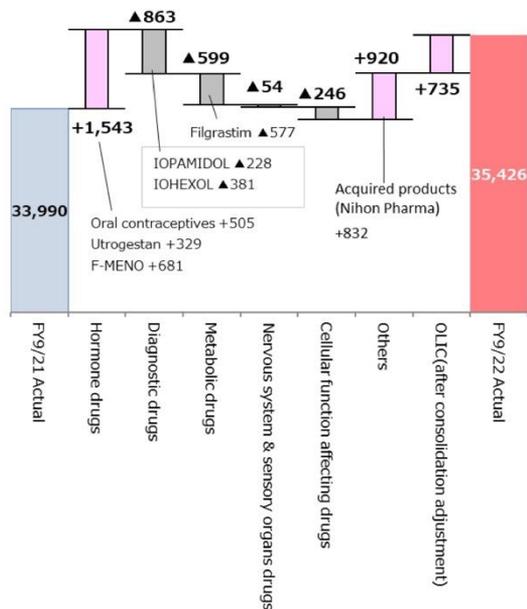
North America 1.800.674.8375
Email Support support@scriptasia.com



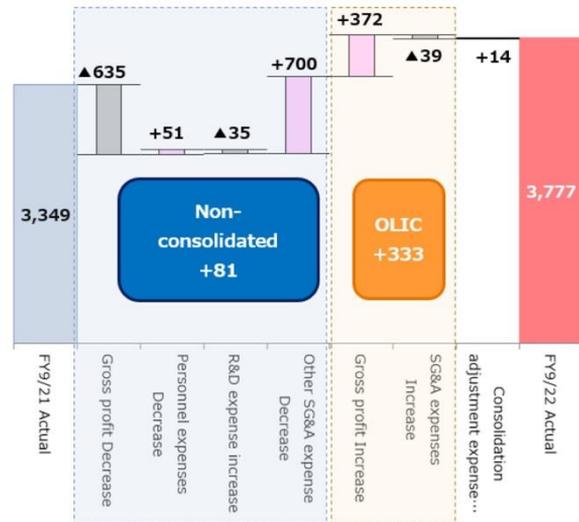
4

FY9/22 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 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.

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



©2022 Fuji Pharma Co., Ltd. All rights reserved.

6

Turning to the next page, this is a waterfall graph of sales and operating profit compared to the previous year.

Sales of hormone agents such as F-meno, which was developed and launched by the Company, grew significantly. However, sales of contrast media and other products declined due to the NHI price revision and the competitive environment. On the other hand, overall revenues increased due to the acquired products from Nippon pharma and the expansion of OILC's CMO business.

Note that this graph is a comparison of the old and new accounting standards I mentioned earlier, so you can see that the actual increase in sales is greater. Please refer to the previous slide for detailed figures.

The decrease in gross profit and the decrease in other selling, general and administrative expenses, which are almost the same amount, are also significantly affected by the change in accounting standards. However, unlike net sales, operating profit itself is not affected by the change in accounting standards.

Support

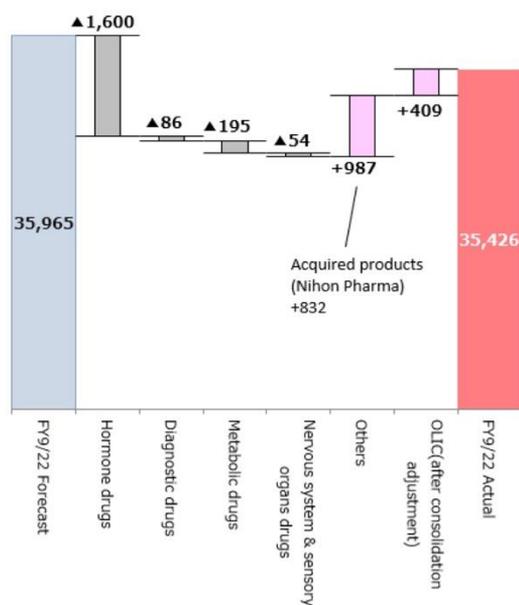
Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com

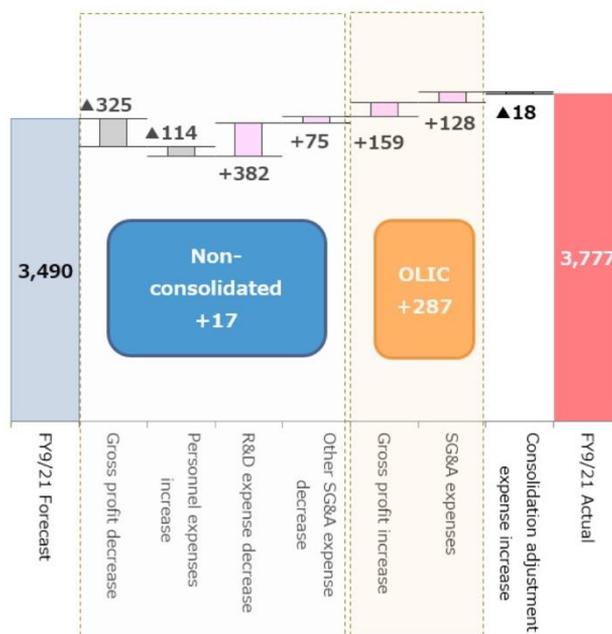


FY9/22 Consolidated Financial Results (v. Forecast)

Net Sales (Unit:¥million)



Operating Profit (Unit:¥million)



©2022 Fuji Pharma Co., Ltd. All rights reserved.

※ 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.

OLIC : Our subsidiary CMO company (Head office and plant in Thailand)

7

Next slide. This compares sales and operating profit with their initial forecasts.

First, a few words on sales. Our expectations for hormones were based on growing interest in improving women's wellbeing, and here, sales fell far short of the plan. However, the strong performance of acquired products and OLIC's CMO business helped to limit underperformance in sales compared to the initial forecast.

Operating profit increased on a consolidated basis, including an increase in profit from OLIC, as a result of a decrease in SG&A expenses that offset the shortfall in net sales.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com

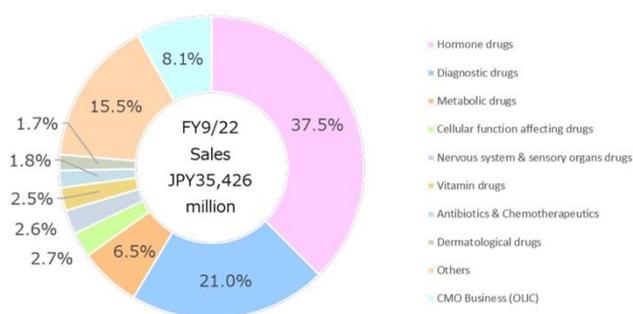


Sales by Therapeutic Category

(\$million)	FY9/18	FY9/19	FY9/20	FY9/21	FY9/22	YoY Change	
	Old accounting standards	Old accounting standards	Old accounting standards	Old accounting standards	New accounting standards	Amount	Ratio
Hormone drugs	10,981	10,741	10,363	11,758	13,301	1,543	13.1%
Diagnostic drugs	14,323	10,827	8,570	8,310	7,447	▲ 863	-10.4%
Metabolic drugs	2,882	3,074	3,216	2,917	2,318	▲ 599	-20.5%
Cellular function affecting drugs	881	932	966	1,002	948	▲ 54	-5.4%
Nervous system & sensory organs drugs	165	1,099	1,200	1,170	924	▲ 246	-21.0%
Vitamin drugs	391	407	379	401	868	467	116.5%
Antibiotics & Chemotherapeutics	801	820	689	595	651	56	9.4%
Dermatological drugs	505	537	538	558	601	43	7.7%
Others	4,500	5,298	5,335	5,144	5,498	354	6.9%
Of which, CMO Business (FUJI)	1,471	2,303	2,798	3,146	3,622	476	15.1%
CMO Business (OLIC)	2,476	2,539	2,532	2,131	2,866	735	34.5%
Total	37,909	36,279	33,793	33,990	35,426	1,436	4.2%

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

Sales Breakdown by Therapeutic Category



©2022 Fuji Pharma Co., Ltd. All rights reserved.

※ From the beginning of FY9/22, to apply "The Accounting Standards for Recognizing Revenues" (corporate accounting standard No. 29), the above-mentioned FY9/22 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.

The next slide shows sales by drug category.

Sales of hormones have grown significantly. As you can see in the pie chart below, this segment makes up almost 40% of our sales. As I always say, we have become more of a specialty pharmaceutical company in the field of women's healthcare rather than a generic company.

This area is also extremely important for the achievement of our mid-term management plan, which Mr. Iwai will discuss in detail later.

The Toyama Plant and OLIC contracting also account for approximately 20% of net sales, providing a business foundation that supports growth.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



Sales of Top 15 Products

Product Name (\$million)	Therapeutic Category	FY9/18	FY9/19	FY9/20	FY9/21	FY9/22	YoY Change		FY9/22
		Old accounting standards	Old accounting standards	Old accounting standards	Old accounting standards	New accounting standards	Amount	Ratio	Budget
★IOPAMIDOL injection	Diagnostic drugs	6,769	7,192	6,401	6,224	5,996	▲ 228	-3.7%	5,829
★IOHEXOL injection	Diagnostic drugs	2,010	2,287	2,172	2,088	1,707	▲ 381	-18.2%	1,703
Favoir® tablets	Hormone drugs	552	768	1,019	1,331	1,663	332	24.9%	1,541
DIENOGEST tablets	Hormone drugs	828	1,136	1,311	1,734	1,652	▲ 82	-4.7%	1,741
Filgrastim BS Injection Syringe	Metabolic drugs	1,721	1,974	2,299	2,069	1,492	▲ 577	-27.8%	1,784
◆UTROGESTAN® vaginal capsules	Hormone drugs	-	-	-	889	1,218	329	37.1%	1,093
LEVONORGESTREL tablets	Hormone drugs	-	431	660	847	1,062	215	25.4%	857
Labellefille® tablets	Hormone drugs	526	709	862	1,002	960	▲ 42	-4.2%	1,294
LUNABELL® tablets (LD/U LD)	Hormone drugs	2,769	1,583	1,045	978	955	▲ 23	-2.4%	767
GABAPEN® Tablets/Syrup	Nervous system & sensory organs drugs	-	943	1,104	1,092	885	▲ 207	-19.0%	1,107
DEXART® injection	Hormone drugs	870	894	874	961	865	▲ 96	-10.0%	898
◆HMG intramuscular injection	Hormone drugs	-	-	752	883	736	▲ 147	-16.6%	675
F-meno® capsules	Hormone drugs	-	-	-	-	681	-	-	-
◆BUSERELIN nasal solution	Hormone drugs	443	441	402	460	582	122	26.4%	457
◆FOLYRMON-P injections□	Hormone drugs	638	632	560	408	484	76	18.5%	633
Total Top 15 Sales		18,661	20,597	19,468	20,971	20,945	▲ 26	-0.1%	-
Pct. Of Total Sales		49.2%	56.8%	57.6%	61.7%	59.1%			-
Other Products		16,771	13,142	11,792	10,887	11,614	727	6.7%	-
CMO Business (OLIC)		2,476	2,539	2,532	2,131	2,866	735	34.5%	2,457
Total		37,909	36,279	33,793	33,990	35,426	1,436	4.2%	35,966
[Reference] Branded contrast media		5,288	1,255	0	0	0			

Acute Medical Care Women's Healthcare

- ★Product name change : IOPAMIDOL injection (Former name : OYPALOMIN® injection) , IOHEXOL injection (Former name : IOPAQUE® injection)
- ◆Infertility Treatment drugs
- * Underlined products are the Fuji Pharma branded drugs (branded drugs-branded generic drugs (transferred products) and biosimilars)
- * 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 sales of Top 15 products and FY9/22 Budget are the figure after the application of new accounting standards. Therefore, YoY changes(in amount and ratio) are for reference only.



©2022 Fuji Pharma Co., Ltd. All rights reserved.

9

These are the sales figures for our top 15 products.

The two contrast media products, which account for a large portion of our sales, have been able to exceed our initial forecasts even facing headwinds such as the NHI price revision.

In the area of women's healthcare, F-meno, launched in the previous fiscal year, joined the top 15 products with sales of approximately JPY700 million. Oral contraceptive Labellefille fell short of expectations. However, sales of Favoir and levonorgestrel exceeded forecasts.

OLIC's CMO business also exceeded initial forecasts.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



8

Sales by Medical Field and Drug Form Category

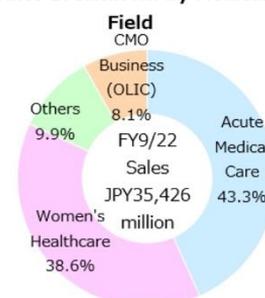
Medical Field Category (¥million)	FY9/18	FY9/19	FY9/20	FY9/21	FY9/22	YoY	
	Old accounting standards	Old accounting standards	Old accounting standards	Old accounting standards	New accounting standards	Amount	Ratio
Acute Medical Care	21,895	19,340	16,926	16,745	15,353	▲ 1,392	-8.3%
Women's Healthcare	10,802	10,756	10,836	12,138	13,683	1,545	12.7%
Others	2,734	3,643	3,497	2,975	3,522	547	18.4%
CMO Business (OLIC)	2,476	2,539	2,532	2,131	2,866	735	34.5%
Total	37,909	36,279	33,793	33,990	35,426	1,436	4.2%

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

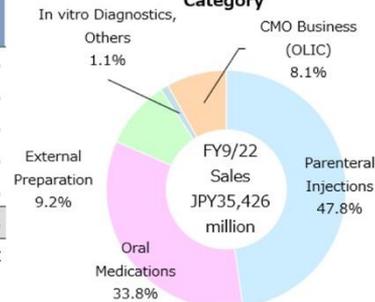
Drug Form Category (¥million)	FY9/18	FY9/19	FY9/20	FY9/21	FY9/22	YoY	
	Old accounting standards	Old accounting standards	Old accounting standards	Old accounting standards	New accounting standards	Amount	Ratio
Parenteral Injections	23,260	20,665	18,379	18,203	16,925	▲ 1,278	-7.0%
Oral Medications	8,937	9,729	9,799	10,456	11,978	1,522	14.6%
External Preparation	2,441	2,636	2,499	2,762	3,272	510	18.5%
In vitro Diagnostics, Others	793	709	581	436	384	▲ 52	-11.9%
CMO Business (OLIC)	2,476	2,539	2,532	2,131	2,866	735	34.5%
Total	37,909	36,279	33,793	33,990	35,426	1,436	4.2%

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

Sales Breakdown by Medical



Sales Breakdown by Drug Form Category



©2022 Fuji Pharma Co., Ltd. All rights reserved.

10

By medical area, the trend to date has continued. The gap between acute medical care and women's healthcare is further narrowing. In this table, the leftmost column shows a gap of about JPY10 billion, but the gap has narrowed to less than JPY2 billion.

By dosage form, the ratio of Oral medications and External Preparation increased.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



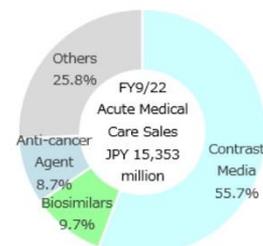
Sales of Acute Medical Care and Women's Healthcare

Acute Medical Care (\$Million)	FY9/18 Old accounting standards	FY9/19 Old accounting standards	FY9/20 Old accounting standards	FY9/21 Old accounting standards	FY9/22 Old accounting standards	YoY	
						Amount	Ratio
Contrast Media	14,062	11,852	9,423	9,151	8,558	▲ 593	-6.5%
Biosimilars	1,721	1,974	2,299	2,069	1,492	▲ 577	-27.9%
Anti-cancer Agents	1,166	988	1,095	1,404	1,334	▲ 70	-5.0%
Others	4,945	4,524	4,107	4,119	3,968	▲ 151	-3.7%
Total	21,895	19,340	16,926	16,745	15,353	▲ 1,392	-8.3%

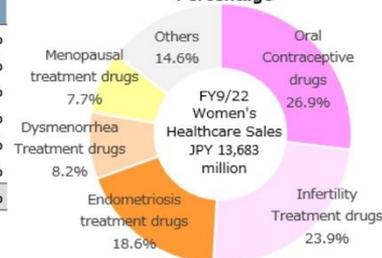
Women's Healthcare (\$Million)	FY9/18 Old accounting standards	FY9/19 Old accounting standards	FY9/20 Old accounting standards	FY9/21 Old accounting standards	FY9/22 Old accounting standards	YoY	
						Amount	Ratio
Oral Contraceptives	1,079	1,909	2,542	3,180	3,685	505	15.9%
Infertility Treatment drugs	3,021	3,100	2,848	3,022	3,270	248	8.2%
Endometriosis Treatment drugs	1,554	1,940	2,119	2,633	2,546	▲ 87	-3.3%
Menopause Treatment drugs	-	-	-	392	1,126	734	187.2%
Dysmenorrhea Treatment drugs	3,043	1,694	1,180	1,071	1,056	▲ 15	-1.4%
Others	2,103	2,110	2,145	1,837	1,996	159	8.7%
Total	10,802	10,756	10,836	12,138	13,683	1,545	12.7%

※Menopause Treatment drugs: not individually tabulated before FY9/20 and included in others

Acute Medical Care Net Sales Percentage



Women's Healthcare Net Sales Percentage



©2022 Fuji Pharma Co., Ltd. All rights reserved.

11

The breakdown of acute medical care and women's health care is as shown here.

In women's healthcare, sales of the launch of menopause treatment drugs, F-meno, have been increasing since our the last financial results briefing. The product now has a market share of approximately 8% on a full-year basis.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



FY9/22 Summary of Consolidated Balance Sheet

(#million)	FY9/21 Year End	FY9/22 Year End	YoY Change	
			Amount	Ratio
Assets				
Current Assets	34,834	34,727	▲ 107	-0.3%
Cash and Deposits	10,199	3,546	▲ 6,653	-65.2%
Notes and Accounts Receivable - Trade	11,866	12,528	662	5.6%
Inventories	12,007	15,824	3,817	31.8%
Other	761	2,828	2,067	271.6%
Non-current Assets	29,404	40,810	11,406	38.8%
Property, Plant and Equipment	14,392	18,762	4,370	30.4%
Intangible Assets	2,397	10,404	8,007	334.0%
Investments and Other Assets	12,614	11,643	▲ 971	-7.7%
Total Assets	64,239	75,538	11,299	17.6%
Liabilities				
Current Liabilities	20,192	23,975	3,783	18.7%
Notes and Accounts Payable - Trade	5,713	6,249	536	9.4%
Short-term Debt	7,000	8,300	1,300	18.6%
Current Portion of Long-term Debt	1,840	2,440	600	32.6%
Other	5,638	6,986	1,348	23.9%
Non-current Liabilities	11,365	15,756	4,391	38.6%
Long-term Debt	6,633	11,193	4,560	68.7%
Other	4,732	4,562	▲ 170	-3.6%
Total Liabilities	31,557	39,732	8,175	25.9%
Net Assets				
Share Capital	32,246	34,175	1,929	6.0%
Capital Stock	3,799	3,799	0	0.0%
Capital Surplus	4,409	4,409	0	0.0%
Retained Earnings	24,628	26,546	1,918	7.8%
Treasury Shares	▲ 590	▲ 579	11	-
Accumulated Other Comprehensive Income	432	1,627	1,195	-
Total Net Assets	32,681	35,806	3,125	9.6%
Total Liabilities and Net Assets	64,239	75,538	11,299	17.6%

Capital investment in Toyama Plant

Due to changes in API supply chain

Succession of marketing rights

Borrowing for succession of marketing rights



©2022 Fuji Pharma Co., Ltd. All rights reserved.

12

The balance sheet as of September 30 is as shown.

Little has changed since our interim briefing. Cash and deposits decreased and fixed assets increased due to capital investment in factories and payment of consideration for acquired projects.

On the liabilities side, borrowings are increasing for the same reason, resulting in an increase in total assets and a decrease in the equity ratio. However, we do not consider this to be a level of concern in terms of financial stability.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptsasias.com



11

FY9/22 Summary of Consolidated Statements of Cash Flows

(\$million)	FY9/21	FY9/22	YoY Change	
	Year End	Year End	Amount	Ratio
Cash Flows from Operating Activities	5,993	▲ 658	▲ 6,651	-111.0%
(Major Breakdown)				
Profit before Income Taxes	3,371	3,723	352	10.4%
Depreciation	1,828	2,462	634	34.7%
Impairment Losses	11	0	-	-
Amortization of Goodwill	278	283	5	1.8%
Increase (Decrease) in Provision for Bonuses	540	8	▲ 532	-98.5%
Decrease (Increase) in Trade Receivables	▲ 174	▲ 549	▲ 375	215.5%
Decrease (Increase) in Inventories	▲ 1,340	▲ 3,618	▲ 2,278	170.0%
Increase (Decrease) in Trade Payables	2,038	447	▲ 1,591	-78.1%
Income Taxes Paid	▲ 911	▲ 1,498	▲ 587	64.4%
Cash Flows from Investing Activities	▲ 2,345	▲ 11,271	▲ 8,926	380.6%
(Major Breakdown)				
Proceeds from Sales of Investment Securities	189	0	-	-
Purchase of Property, Plant and Equipment	▲ 3,789	▲ 5,097	▲ 1,308	34.5%
Proceeds from Sales of Property, Plant and Equipment	1,673	1,383	▲ 290	-17.3%
Purchase of Intangible Assets	▲ 107	▲ 7,326	▲ 7,219	6746.7%
Cash Flows from Financing Activities	▲ 5,435	5,094	10,529	-193.7%
(Major Breakdown)				
Net Increase (Decrease) in Short-term Loans Payable	6,000	1,300	▲ 4,700	-78.3%
Proceeds from Long-term Loans Payable	1,000	7,300	6,300	630.0%
Repayments of Long-term Loans Payable	▲ 1,756	▲ 2,140	▲ 384	21.9%
Purchase of Treasury Shares	▲ 9,405	0	-	-
Cash Dividends Paid	▲ 807	▲ 729	78	-9.7%
Repayments of Lease Obligations	▲ 476	▲ 636	▲ 160	33.6%
Cash and Cash Equivalents at Beginning of Period	12,041	10,199	▲ 1,842	-15.3%
Cash and Cash Equivalents at End of Period	10,199	3,546	▲ 6,653	-65.2%
Free Cash Flows	3,648	▲ 11,930	▲ 15,578	-427.0%

Due to changes in API supply chain

Succession of marketing rights

Borrowing for succession of marketing rights



©2022 Fuji Pharma Co., Ltd. All rights reserved.

13

The cash flow situation is broadly as described in the interim period.

For the same reason, investment cash flow has increased, and this has been compensated for by financing cash flow.

As for the negative cash flow from operations, the main reason is that the Company has switched from the inventory borne by intermediary suppliers to the Company's share due to a change in the supplier of bulk contrast media.

Although there is a significant change in trade payables, this is due to a temporary decrease in the balance of trade payables in the previous period and does not mean that the purchase site has changed significantly in any way.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



12

FY9/23 Consolidated Forecast Highlights

- **In order to achieve Mid-Term Business Plan, substantial increase in sales and increase in profits despite higher R&D expenses, based on strengthened product lineup and manufacturing capacity in the past three fiscal years.**
 - ▢ Net sales: Sales increased due to contributing to Women's Healthcare area (**achievement of Mid-Term Business Plan target ahead of schedule**).
 - ▢ Operating Profit: Profit increased as higher sales compensated for higher R&D expenses and other SG&A expenses
 - ▢ Dividends: Plan to increase dividends for the second consecutive year based on a dividend payout ratio of 30%
- **Research and Development-Related Topics**
 - ▢ FSN-013 : [Japan] Increased costs with full-scale phase III clinical trials [Thailand] To be launched
 - ▢ Biosimilars : Application for approval for one product



©2022 Fuji Pharma Co., Ltd. All rights reserved.

15

I would like to continue by discussing our earnings forecast for the current fiscal year.

This fiscal year is a very important year for the achievement of our mid-term management plan, which concludes next fiscal year. We plan to make this a year of solid performance, building on the product portfolio and manufacturing capacity that we have strengthened over the past three years.

In terms of sales, in particular, we expect to achieve sales of JPY20 billion in the women's healthcare one year ahead of schedule. Mr. Iwai will describe the background and reasons for this later. We are projecting an increase in profit, although the rate of increase will be restrained by higher R&D expenses. With a dividend payout ratio of 30%, we expect to increase dividends for the second consecutive fiscal year.

Regarding R&D expenses, the recording of expenses in this fiscal year for FSN-013, where the domestic clinical trial of FSN-013 was in progress, is expected to result in an increase. In addition, as announced in October, we have filed for approval of our first biosimilar product based on our partnership with Alvotech.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



FY9/23 Consolidated Forecast

- Net sales: +7,885 JPY million (+10.2% YoY) as new products, new installations and Women's Healthcare domains and OLIC contributed to offset impact of NHI drug price revisions and decline in diagnostic drugs
- Operating Profit: +271 JPY million (+7.2% year on year) as higher sales compensated for higher depreciation, R&D and other expenses

(¥million)	FY9/22	FY9/23	YoY Change	
	Actual	Forecast	Amount	Ratio
Net Sales	35,426	43,311	7,885	22.3%
Operating Profit	3,777	4,048	271	7.2%
Operating Margin	10.7%	9.3%	-	-
Ordinary Profit	3,725	4,088	363	9.7%
Ordinary Margin	10.5%	9.4%	-	-
Profit Attributable to Owners of Parent	2,696	2,974	278	10.3%
Profit Margin	7.6%	6.9%	-	-
EBITDA* ¹	6,252	7,137	885	14.2%
EBITDAR* ²	8,738	10,975	2,237	25.6%
Capital Expenditure	7,150	5,715	▲ 1,435	-20.1%
Depreciation (Including Leased Equipment)	2,475	3,089	614	24.8%
R&D Expenses	2,485	3,838	1,353	54.4%
R&D Expenses Ratio	7.0%	8.9%	-	-

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

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



©2022 Fuji Pharma Co., Ltd. All rights reserved.

16

The table below shows our earnings forecast.

Forecast net sales are in the JPY40 billion range, a level that puts the company within reach of the JPY50 billion target of the medium-term management plan for the next fiscal year. Forecast operating profit is in the JPY4 billion, with a view to reaching JPY5 billion in the following fiscal year.

As I mentioned earlier, R&D expenses will increase, and depreciation and amortization expenses will increase due to capital investment and investment in intangible assets. This is a sign that the company is steadily gaining earning power.

Support

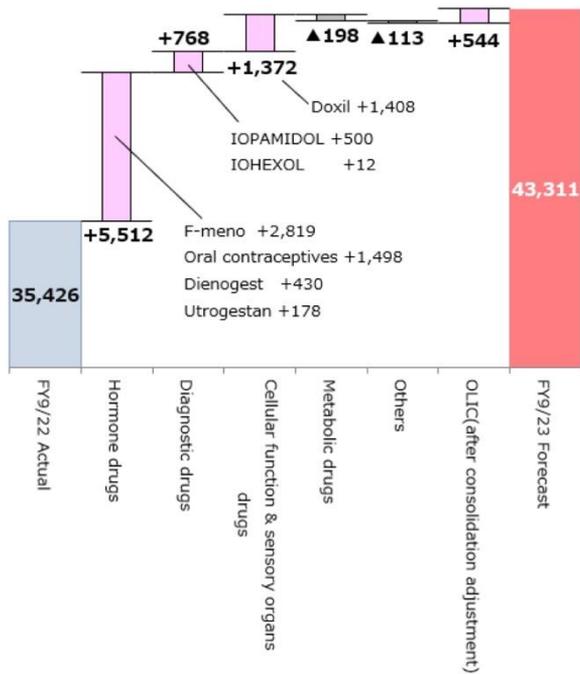
Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com

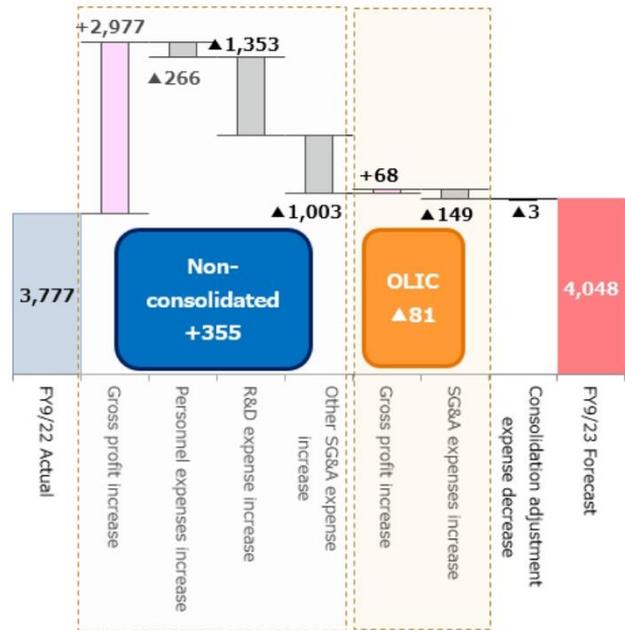


Summary of FY9/23 Consolidated Forecast (YoY)

Net Sales (Unit:¥million)



Operating Profit (Unit:¥million)



©2022 Fuji Pharma Co., Ltd. All rights reserved.

17

I would like to continue by discussing the factors behind the increase in sales and profit this fiscal year.

In terms of sales, we are aiming for a significant increase in sales with the contribution of hormonal agent F-meno, oral contraceptives, and Doxil.

In terms of profit, although the increase in gross profit due to higher sales will be offset by variable costs associated with higher sales and higher R&D expenses, operating profit is expected to exceed JPY4 billion.

As I mentioned earlier, depreciation and amortization expenses increased by approximately JPY600 million and R&D expenses increased by approximately JPY1.3 billion for a total increase of JPY2 billion.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



Sales Forecast by Therapeutic Category and Medical Field

(¥million)	FY9/22	FY9/23	YoY Change	
	Actual	Forecast	Amount	Ratio
Hormone drugs	13,301	18,813	5,512	41.4%
Diagnostic drugs	7,447	8,215	768	10.3%
Cellular function affecting drugs	948	2,320	1,372	144.7%
Metabolic drugs	2,318	2,120	▲ 198	-8.5%
Other drugs not primarily intended for treatment	274	2,044	1,770	646.0%
Vitamin drugs	868	1,205	337	38.8%
Nervous system & sensory organs drugs	924	765	▲ 159	-17.2%
Dermatological drugs	601	637	36	6.0%
Others	5,875	3,777	▲ 2,098	-35.7%
Including CMO Business (FUJI)	3,622	3,177	▲ 445	-12.3%
CMO Business (OLIC)	2,866	3,410	544	19.0%
Total	35,426	43,311	7,885	22.3%

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

(¥million)	FY9/21	FY9/22	YoY	
	Actual	Forecast	Amount	Ratio
Acute Medical Care	13,683	20,301	6,618	48.4%
Women's Healthcare	15,353	15,807	454	3.0%
Others	3,522	3,792	270	7.7%
CMO Business (OLIC)	2,866	3,410	544	19.0%
Total	35,426	43,311	7,885	22.3%

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



©2022 Fuji Pharma Co., Ltd. All rights reserved.

18

Next, the forecast of sales by drug category and medical area.

As I mentioned in the highlights, we expect to achieve JPY20 billion in sales one year ahead of schedule in the women's healthcare. The increase rate is approximately 50%. This shows that we are further strengthening our position as a specialty pharmaceutical company in the area of women's healthcare.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



Sales of Major Products 09/FY23

Product Name (¥million)	Therapeutic Category	FY9/22 Actual	FY9/23 Forecast	YoY	
				Amount	Ratio
★IOPAMIDOL Injection	Diagnostic drugs	5,996	6,496	500	8.3%
F-meno® Capsules	Hormone drugs	681	3,500	2,819	414.0%
Favoir® Tablets	Hormone drugs	1,663	2,215	552	33.2%
DIENOGEST Tablets	Hormone drugs	1,652	2,082	430	26.0%
Labellefil® Tablets	Diagnostic drugs	960	1,769	809	84.3%
★IOHEXOL Injection	Diagnostic drugs	1,707	1,719	12	0.7%
Filgrastim BS Injection Syringe	Metabolic drugs	1,492	1,665	173	11.6%
SULPREP®/Formulated Internal Solution	Other drugs not primarily intended for treatment	79	1,583	1,504	1903.8%
DOXIL® Injection	Hormone drugs	-	1,408	-	-
◆UTROGESTAN® Vaginal Capsules	Hormone drugs	1,218	1,396	178	14.6%
LEVONORGESTREL Tablets	Hormone drugs	1,062	1,199	137	12.9%
LUNABELL® Tablets (LD/ULD)	Hormone drugs	955	872	▲ 83	-8.7%
DEXART® Injection	Hormone drugs	865	835	▲ 30	-3.5%
FOLYRMON® -P Injection	Hormone drugs	475	823	348	73.3%
GABAPEN® Tablets/Syrup	Nervous system & sensory organs drugs	885	725	▲ 160	-18.1%
Total Top 15 Sales		19,696	28,291	8,595	43.6%
Pct. Of Total Sales		55.6%	65.3%		
Other Products		12,863	11,609	▲ 1,254	-9.7%
CMO Business (OLIC)		2,866	3,410	544	19.0%
Total		35,426	43,311	7,885	22.3%

Acute Medical Care Women's Healthcare

★Product name change : IOPAMIDOL injection (Former name : OYPALOMIN® injection) , IOHEXOL injection (Former name : IOPAQUE® injection)

◆Infertility Treatment drugs

* Underlined products are the Fuji Pharma branded drugs (branded drugs·branded generic drugs (transferred products) and biosimilars)

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



©2022 Fuji Pharma Co., Ltd. All rights reserved.

19

Next, sales forecasts for the top 15 products.

Sales of hormones in women's healthcare are expected to increase across the board. In particular, we are aiming for a large increase in sales of F-meno in its second year on the market, as well as in oral contraceptives, for which a new tablet building will be fully operational this fiscal year. In addition, we expect significant growth in our acquired product, Sulprep, as well as other products.

Mr. Iwai will discuss these major measures for the fiscal year in detail later.

Support

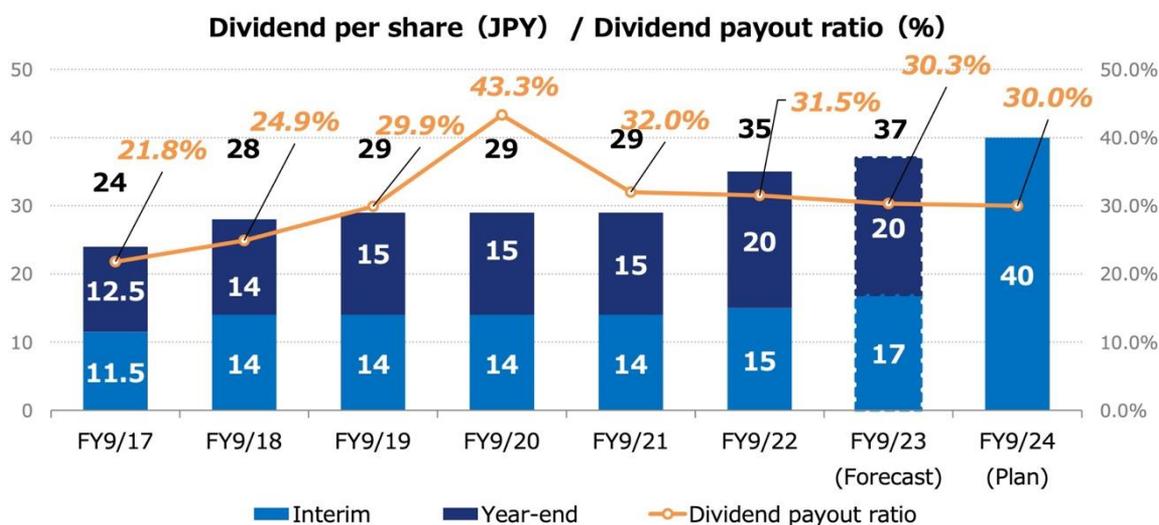
Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



FY9/23 Shareholder Return Policy

- Our dividend policy is to pay a dividend payout ratio of 30%, centered on stable dividends. We plan to pay an annual dividend of ¥37 per share (interim dividend of ¥17, year-end dividend of ¥20 per share) by applying a dividend payout ratio of 30% against the forecast for the fiscal year ending September 2023.



※ On July 1, 2018, 1 common stock was split into 2 stock. Dividend per share assumes current total outstanding shares.
 ※ FY9/23 (Forecast) payout ratio is estimate at the beginning of fiscal year.



©2022 Fuji Pharma Co., Ltd. All rights reserved.

20

Finally, I would like to talk about shareholder returns.

As mentioned earlier, our dividend policy is to aim for a payout ratio of 30% to provide stable dividends. This has been explained in the integrated report and other documents.

If profits for the current fiscal year reach the forecasted level, we plan to pay an annual dividend of JPY37 per share, a dividend payout ratio of 30%. For the previous fiscal year, we plan to pay an annual dividend of JPY35 per share based on the financial results, compared to our initial dividend plan of JPY32 per share. We will continue to strengthen and increase shareholder returns through improved business performance.

That is all from me. Mr. Iwai will now present the priority measures for the fiscal year ending September 30, 2023.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



Mid-term Business Plan (Announced in May 2020)

Theme	Fujiらしくをあたらしく <i>"Evolving Fuji"</i>		Target in 9/2029
Goal	Business Plan based on Vision for 2030	Positioning	Roadmap to achieve Vision for 2030
Growth Scenario	<ul style="list-style-type: none"> ● No.1 in Women's Healthcare (WH) ● Evolving into sustainable Contrast Media business (CM) ● Establish Biosimilar business (BS) ● Strengthen overseas business (OS) 		Sales <hr/> JPY 100 bil+
To Achieve	Execution through strategic and functional initiatives Continuous monitoring review semi-annually Rolled over every year		Operating Margin <hr/> 20%+



©2022 Fuji Pharma Co., Ltd. All rights reserved.

Iwai: Now, I would like to explain the key measures and important points for achieving the mid-term management plan, which ends in September 2024.

First, an overview of the medium-term management plan.

The mid-term business plan, which ends in the fiscal year ending September 30, 2024, is positioned as an intermediate point for achieving our Vision for 2030. Based on this positioning, we are currently pursuing four growth streams.

The first is to become number one in the women's Healthcare. The second is to evolve the current contrast media business into a sustainable business. We also aim to establish the biosimilars business, which is a new business area for us, during the period of this medium-term management plan. Finally, we aim to strengthen overseas operations. We are currently proceeding based on these four pillars.

Support

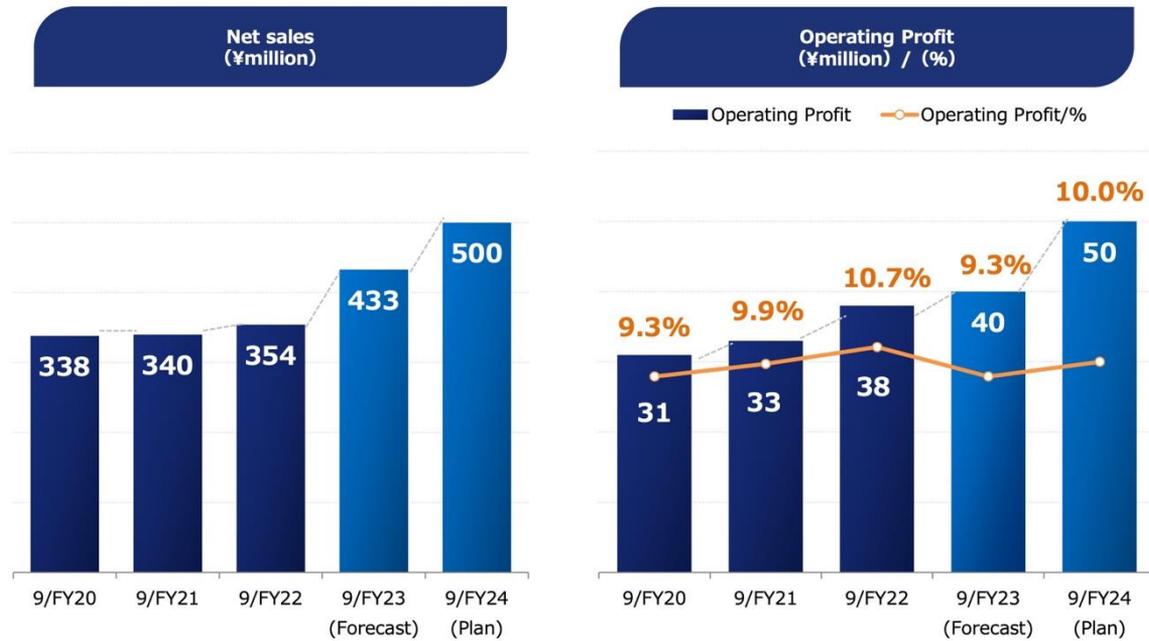
Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



Mid-term Business Plan : Net sales and Operating Profit

As explained at the beginning, the first three fiscal years grew gradually and the latter two fiscal years show stronger growth



©2022 Fuji Pharma Co., Ltd. All rights reserved.

23

Our quantitative targets are to achieve sales of JPY50 billion and operating income of JPY5 billion in the final fiscal year of the plan, which will be the next fiscal year.

When we announced our medium-term management plan in May 2020, we said that we would slightly increase sales for the first three years, followed by growth in the fourth and fifth years. This will be an increase of about JPY8 billion from the previous year and will be a record high.

The breakdown of this amount has already been explained by Mr. Sato on page 17. To reiterate the breakdown briefly, the growth of in-house products in the women's healthcare, including F-meno, amounted to approximately JPY5 billion. In the last fiscal year, we decided to partner with other companies for two products. The first is a partnership with Baxter relating to Doxil, a drug for ovarian cancer. The other is a partnership with Ferring Pharma relating to Propess, an agent used for cervical ripening in the perinatal period. The contribution figure for both of these together is JPY7 billion, contributing significantly to the JPY8 billion growth figure.

Today, I would like to explain the growth of our products, the market environment, and the positioning of our products.

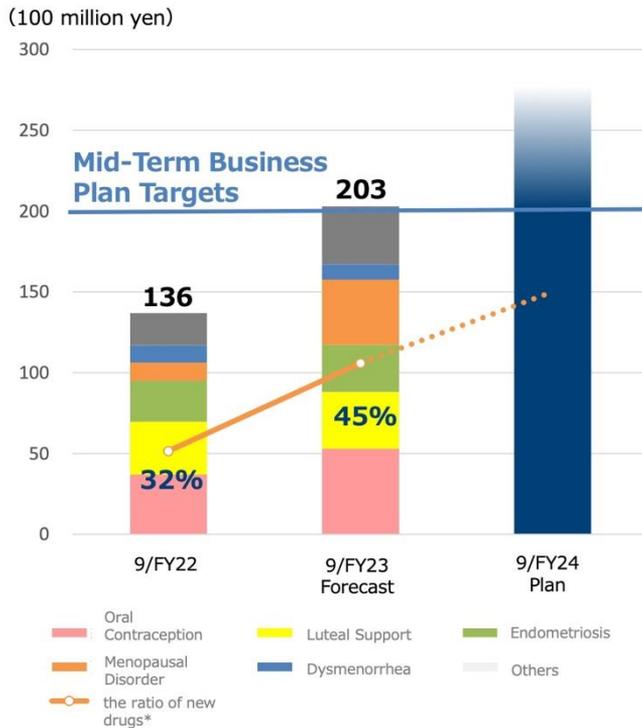
Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



Establishing Specialty Pharma in Women's Healthcare



※ the ratio of new drugs* = sales of new drugs in our Women's Healthcare category / Women's Healthcare sales



©2022 Fuji Pharma Co., Ltd. All rights reserved.

Why Women's Healthcare grows?

- ✓ Expansion of Women's Healthcare field due to more women in workplace and increasing health-awareness
- ✓ In particular, there is room for growth in the pill and menopause areas, where the current penetration ratio is low
- ✓ Wide product portfolio to fulfill growing market
- ✓ Increase in the ratio of new drugs* from 32% in the last FY to 45% this FY

Achieve 20 JPY billion WH sales one year in advance

24

This is our sales in the women's healthcare.

As I just mentioned, the increase is approximately JPY7 billion compared to the fiscal year ending September 30, 2022, and we plan to exceed JPY20 billion this fiscal year.

Sales in the women's healthcare for the fiscal year ending September 30, 2020, were JPY10 billion. When we announced our mid-term business plan in May 2020, we said that we would double sales to JPY20 billion in the fiscal year ending September 30, 2024, five years from then.

There were three main factors that enabled us to bring that goal forward one year.

The first was the approval of our second new drug, F-meno, in September 2021 as planned. I have reported in several of these briefings that sales of the six existing products in the women's healthcare are expanding steadily. The third point is partnerships with other companies.

I will talk about F-meno capsules in more detail on the next slide, but first, I would like to talk more about the breakdown of the six existing products.

As you can see in the lower right-hand corner, the percentage of new drugs in this area was 32% in the previous fiscal year, but this fiscal year, the figure is 45% or about half.

Although we started out as a company focused on generic medications, we will continue working to further strengthen and grow as a pharmaceutical company that specializes in a particular field.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



21

Specialty Pharma in Women's Healthcare: Six Major Products

(Unit: 100 million yen, rounded down to 10 million yen)

Net sales of six major products	Indications	situation	FY9/20	FY9/21	FY9/22	FY9/23 (Forecast)	FY9/24 (Plan)
LEVONORGESTREL *	Emergency Contraceptives	Continuously expand market with generics launches and maintain volume share of over 80%	6	8	10	11	15
Favoir® (Ethinylestradiol/desogestrel) *	Oral Contraceptives	1st share by manufacturer of domestic oral contraceptives	10	13	16	22	27
Labellefil® (Ethinylestradiol/LEVONORGESTREL) *			8	10	9	18	33
UTROGESTAN® (Progesterone)	Luteal Support in ART*2	No. 2 in market share	7	8	12	14	8
DIENOGEST	Endometriosis Treatment	Continuous market expansion and steady growth in our market share	13	17	16	21	12
l'estroge® (Estradiol)	Menopausal Treatment	Annual growth rate 10%	2	3	4	4	5
Total			48	61	69	90	100



©2022 Fuji Pharma Co., Ltd. All rights reserved.

* Drug prices not listed
*2 ART = Assisted Reproductive Technology

25

Here is some more information about the six existing products I just mentioned.

This shows actual and projected sales from FY2020 to FY2024. As of FY2020, sales of all products in the women's healthcare totaled JPY10 billion, of which approximately 50% came from these six main products.

Total sales across these six products was JPY4.8 billion. Since then, as a result of aggressive educational activities for oral contraceptives and other products, the existing six products have been growing steadily. We plan to achieve sales of JPY9 billion for these six products in FY2023.

This figure was not previously announced in the FY2023 figures, but it represents growth that has exceeded our initial forecast.

In particular, the sales plan for Utrogestan and Dienogest, the second and third products from the bottom, have already exceeded the sales forecast by product for FY2024 that we created when the mid-term management plan was formulated. Sales of these products are increasing steadily. One of the main reasons for this is steady growth of the oral contraceptive and dysmenorrhea markets, in particular.

Our company also believes that the market for menopause products will expand significantly in the future.

I would like to discuss three points on the next three slides.

The first is the entire women's healthcare market, and the second is the area of oral contraceptives, dysmenorrhea, and menopause within that market. On the third slide, I would like to talk about our initiatives.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

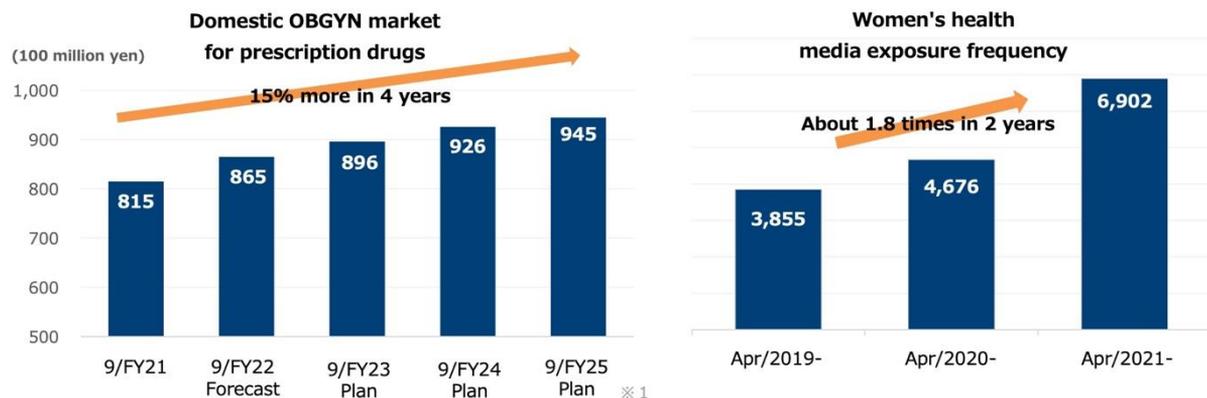
North America 1.800.674.8375
Email Support support@scriptasia.com



Women's Healthcare market is growing

Growing Women's Healthcare

- ✓ Expansion of the market due to more women in workplace and increasing health awareness among women
- ✓ Increasing interest in women's health-related issues in television, newspapers, journals, and SNS



Nikkei Telecom (April 28, 2017 to April 27, 2022) Number of search results for each keyword of newspaper, magazine, and news (search date: April 27, 2022)
 ※1) Source: Fuji Keizai (analysis of trends in the maternity and gynecology-related markets, which are attracting attention in insurance coverage, and future forecasts)



©2022 Fuji Pharma Co., Ltd. All rights reserved.

26

First of all, this slide covers the overall market for women's healthcare.

According to materials provided by Fuji Keizai, the market is expected to steadily expand from JPY80 billion in 2021 to approximately JPY100 billion in 2025.

The graph on the right shows the number of times women's health issues have been covered in the media. This has doubled in the two years from 2019, reflecting the growing interest in women's health and the social trend toward solving women's issues in society as a whole. We predict that the women's healthcare market will expand beyond our earlier market projections.

The market for dysmenorrhea and oral contraceptives has been expanding at a higher rate than the women's healthcare market as a whole.

Support

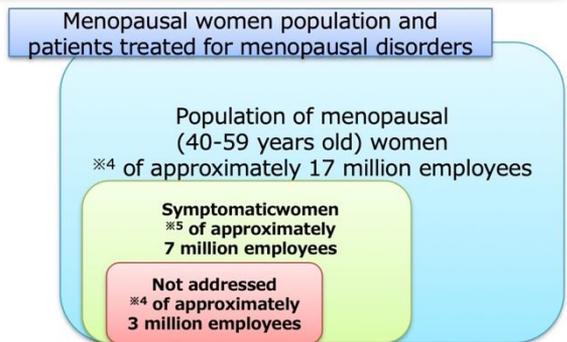
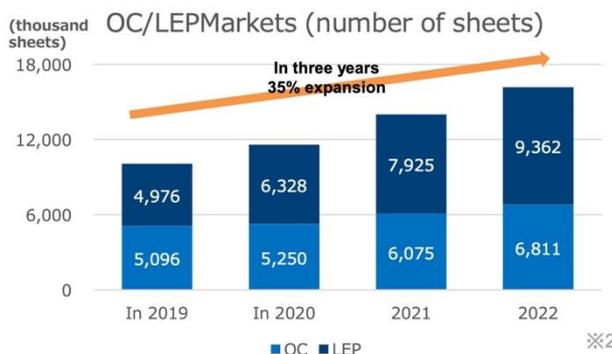
Japan 050.5212.7790
 Tollfree 0120.966.744

North America 1.800.674.8375
 Email Support support@scriptasia.com



Growth opportunity for oral contraceptives and menopausal treatment drugs due to low penetration in Japanese market

LEP/OC	Treatment for menopausal syndrome
<ul style="list-style-type: none"> ✓ The prevalence of Japanese oral contraceptives is ^{※1} 3%. Well below 14% in the United States and 33% in France ✓ Growing significantly faster than total Women's Healthcare market with growing interest 	<ul style="list-style-type: none"> ✓ While more women in workplace, among 7 million women with menopausal symptoms, 3 million women do nothing ✓ HRT penetration ratio is 2%^{※3}.



※OC: Oral Contraception (Oral contraceptives)
 ※LEP: Low dose estrogen-progestin (Low-dose estrogen/progestin combination)
 ※HRT: Hormone Replacement Therapy (hormone replacement therapy)

※1) Source: Based on the marital status at United Nations: "Contraceptive Use by Method 2019(15~49 age or the prevalence of different contraceptive methods in reproductive-aged women"
 ※2) Compiled in-house based on external data (totaled from October to September each year in line with our fiscal year)
 ※3) Source: V.Lundberg et al.Maturitas 48(2004)39-43, Menopause and Aging Healthcare Vol.8(2009)60-66
 ※4) Sources: Our estimation based on the "Report on the Survey of Menopausal Disorders and Their Symptomatology: Qlife"
 ※5) Sources: Our estimation based on "Publication materials published by the Ministry of Health, Labour and Welfare's Director of Policy (for Statistics, Information Policy, and Policy Evaluation)"



©2022 Fuji Pharma Co., Ltd. All rights reserved.

27

This left side shows a dysmenorrhea drugs and oral contraceptives. On the right is a description of the menopausal market.

In the previous slide, I mentioned that the market for dysmenorrhea and oral contraceptives is growing at a higher rate than the overall market. Looking just at these two areas, we see increase of 35% in three years.

On the other hand, as you can see in the square in the upper row, the penetration rate of these hormone preparations in Japan is still only about 3%, far below the 14% in the US and 33% in France.

In this environment, our share of the oral contraceptive market in terms of volume is currently 44%. Sales of our products are currently increasing thanks to the tailwinds of market expansion and increasing market share.

On the other hand, in the field of menopause, I am sure many of you have recently seen NHK's special programs on this subject. In an NHK special, among the 17 million people in their 40s and 50s who play a very important role in society, 7 million people complain of some kind of menopausal disorder. Some complain of difficulty in continuing to work.

We believe that it is our mission to work toward solutions to these issues. We recognize that society will have great needs in this area in the future, so we would like to be more actively involved in this field.

With the six existing products I mentioned earlier and other products in these areas, we believe that we can make further contributions to women's health and other issues.

Support

Japan	050.5212.7790	North America	1.800.674.8375
Tollfree	0120.966.744	Email Support	support@scriptasia.com



Fuji Pharma's Initiatives to Meet Growing Markets

Oral contraceptives: Favoir [®] Labellefile [®]	Menopause Medications: F-meno [®] capsules
<ul style="list-style-type: none"> ✓ Enlightenment activities: Special unit actively work on enlightenment in oral contraceptives ✓ MR activities: Enhancing MR activities, including including online medical care ✓ Stable supply : Ensuring production volume and stable supply in response to rising demand through the operation of the 6th formulation building, which will increase the production capacity of hormone tablets by three times ✓ Cross-divisional collaboration: The three activities described above are integrated under officer in charge of women's healthcare 	<ul style="list-style-type: none"> ✓ Long-term prescription becomes available Enhanced MR activities in response to the release of long-term prescription restrictions one year after the launch. ✓ Menopause experts: 27 ※ MRs certified as menopause expert by doctors ✓ Digital MR Activity: Promote digital information delivery in alliance with M3 ✓ Supporting collaboration between physicians: Supporting information sharing among physicians



©2022 Fuji Pharma Co., Ltd. All rights reserved.

※As of November 2022

28

On the next slide, I would like to talk a little about our six existing products and what we are doing regarding F-meno.

As I mentioned earlier, the market for oral contraceptives has been expanding significantly along with the market for drugs to treat dysmenorrhea. In line with this, we are actively providing information and strengthening specific educational activities to ensure that our products are used properly based on correct information.

In order to ensure a stable product supply in this segment, we are currently constructing a new formulation building and tripling the supply capacity of hormone preparations.

In the menopause segment, we are working increase market penetration of F-meno, which was approved last year. In order to promote a better understanding of the problems that occur during menopause and how to manage and treat them, we are currently acting as a special sponsor for World Menopause Day and Menopause Week in October.

F-meno is the only progestin approved for use in hormone replacement therapy during menopause. This product is referred to as a natural-type hormone. We expect it to become a standard product for hormone replacement therapy in the future.

This is the background for the major products in the women's healthcare field, which we anticipate will expand in the current fiscal year.

Support

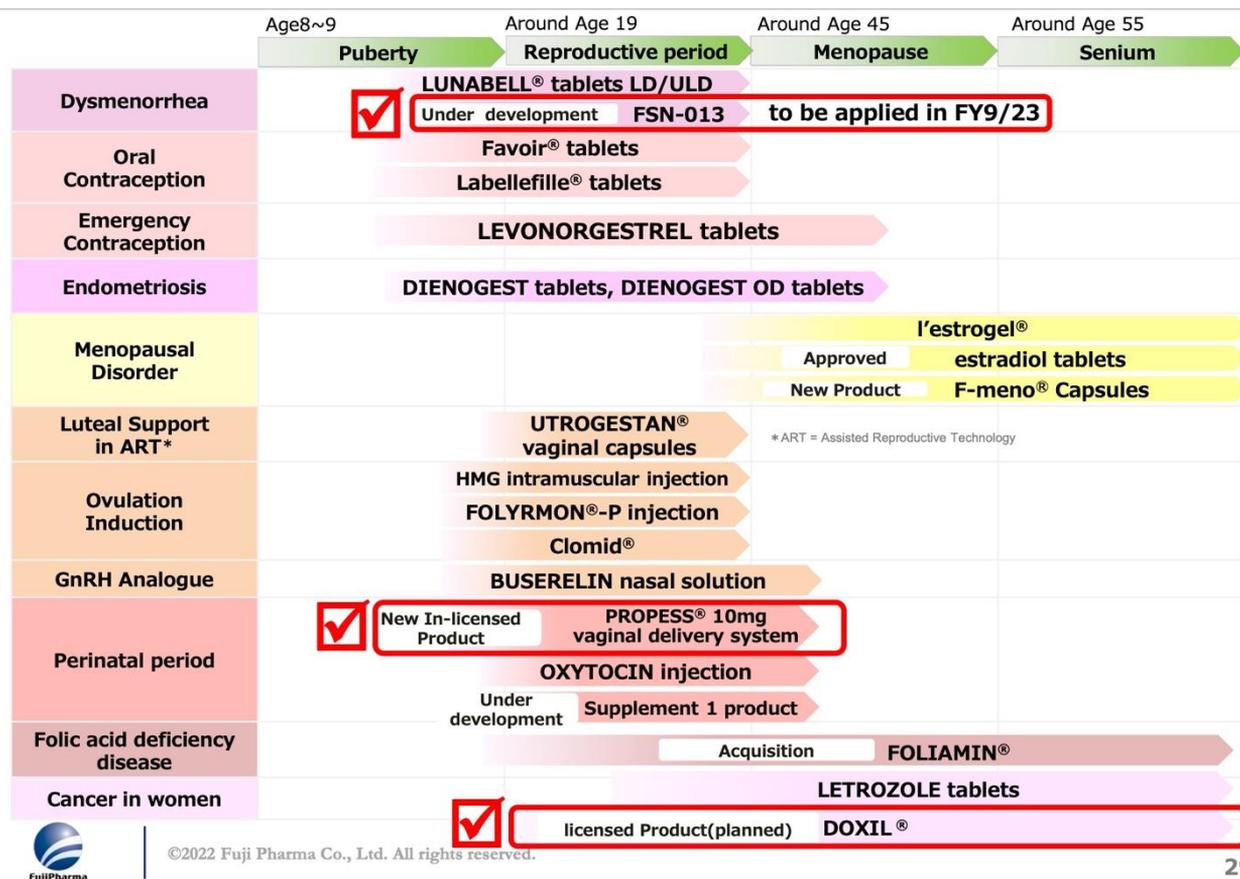
Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



Outside these six existing products, products such as those in the fertility area are also expected to see continued sales growth in the next fiscal year and beyond. I would like to talk about our portfolio and other products in the women's healthcare field on the next slide.

Women's healthcare : Product Portfolio



This is our current product portfolio in the area of women's healthcare. The diseases are listed on the vertical axis and patient age on the horizontal axis. We are currently expanding our portfolio with a primary focus on providing a solid response and contribution to diseases of people of all ages.

I would like to say a few words about three points in this product portfolio.

First, a few words about FSN-013, shown at the top here. I mentioned just now that the dysmenorrhea market is expanding. In this area, we already have Lunabell, but beside that, there were no new products for dysmenorrhea. FSN-013 is a new drug that we have been developing for dysmenorrhea. It contains a new follicle hormone, estetrol.

Development is progressing smoothly, and we are planning to file for approval this fiscal year. If this is approved, we will finally be able to introduce a new product into the growing market for dysmenorrhea and LEP. We are now moving forward with strong expectations for the future expansion of this product and its contribution to the lives of patients.

In the perinatal field, we formed a partnership with Ferring Pharma last year relating to Propess, a cervical ripening agent.

Support

Japan	050.5212.7790	North America	1.800.674.8375
Tollfree	0120.966.744	Email Support	support@scriptasia.com



In the field of women's oncology, we formed a partnership with Baxter relating to Doxil. This is a treatment for ovarian cancer in women. This partnership will commence in this fiscal year. These alliances are anticipated to lead to increased earnings from the current fiscal year.

By adding more and more of these new products to our portfolio, we hope to further contribute to women's health and fulfil our goal of becoming a specialty pharmaceutical company.

Stable-supply to further contribute in Women's Healthcare field

New tablet plant (6th plant)

- ✓ Scheduled to begin full-scale operations in FY9/2023
- ✓ Three times the production capacity of hormone tablets (150 million tablets → 450 million tablets)
- ✓ Stable supply to meet expanding demand



©2022 Fuji Pharma Co., Ltd. All rights reserved.

30

In addition to the products, I would like to talk a little about stable product supply in the area of women's healthcare.

This is a picture of our Toyama Plant. The area circled in red in the photo is the number six formulation building. It was completed in June of this year and is capable of handling highly pharmacologically active substances. We are currently making preparations and plan to start production next year.

As a result, the production capacity of hormone preparations, which is currently 150 million tablets, is scheduled to increase roughly threefold to 450 million tablets after the start of operations here. We are currently planning to establish a stable supply of hormone preparations centered on this new formulation building.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



Other Mid-Term Business Plan Key Measures: Overseas

OLIC: Expand CMO business and establish manufacturing and sales business

- ✓ **Expansion of CMO business:**
In FY2023, YoY increase of 19% to 3.4 JPY billion. From COVID recovery phase to growth phase
- ✓ **FSN-013 (Thailand):**
In October 2022, we announced import approval. Scheduled to begin sales in 2023. The high-priced oral contraceptive marketplace in Thailand is approximately ※1※2 \$20 million
- ✓ **FSN-013 (other ASEAN):**
In the Philippines and several other major ASEAN countries, sub-license discussion is ongoing
- ✓ **Roll-up strategy:**
To expand CMO and manufacturing and sales businesses, OLIC pursues opportunities for product, business and corporate acquisitions



©2022 Fuji Pharma Co., Ltd. All rights reserved.

※1) Copyright © 2022 IQVIA. Source: IQVIA MIDAS(20Q4-21Q3) Based on our own estimates, reproduction is prohibited without permission

※2) Calculation period: October 2020 to September 2021

31

Lastly, I would like to talk about the overseas situation regarding OLIC and the development of biosimilars.

This is the current status of our subsidiary, OLIC. In our mid-term management plan, we are talking about expanding the CMO business while at the same time making the company a manufacturing and sales company.

First, regarding the CMO business, we no longer see any effects from the coronavirus pandemic. This fiscal year's sales increased by about 20% from the previous year, an increase of about JPY3.4 billion in yen terms. This is above the level we saw before the coronavirus pandemic.

We are also currently expanding the scope of our contract business. We are currently considering the possibility of contract manufacturing for the US market and are scheduled to undergo an inspection by the FDA this fiscal year.

Regarding commercialization, FSN-013 is being developed as a treatment for dysmenorrhea in Japan and was approved as an oral contraceptive in Asia in October of this year. We also plan to market it as an oral contraceptive in Thailand and other Asian countries in the future.

While our product portfolio in Asia is center on FSN-013, we have also filed for approval of two other drugs to expand our product portfolio in the region. In addition to CMO, we plan to further strengthen production and sales in this fiscal year. This concludes the section on the overseas subsidiary OLIC.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

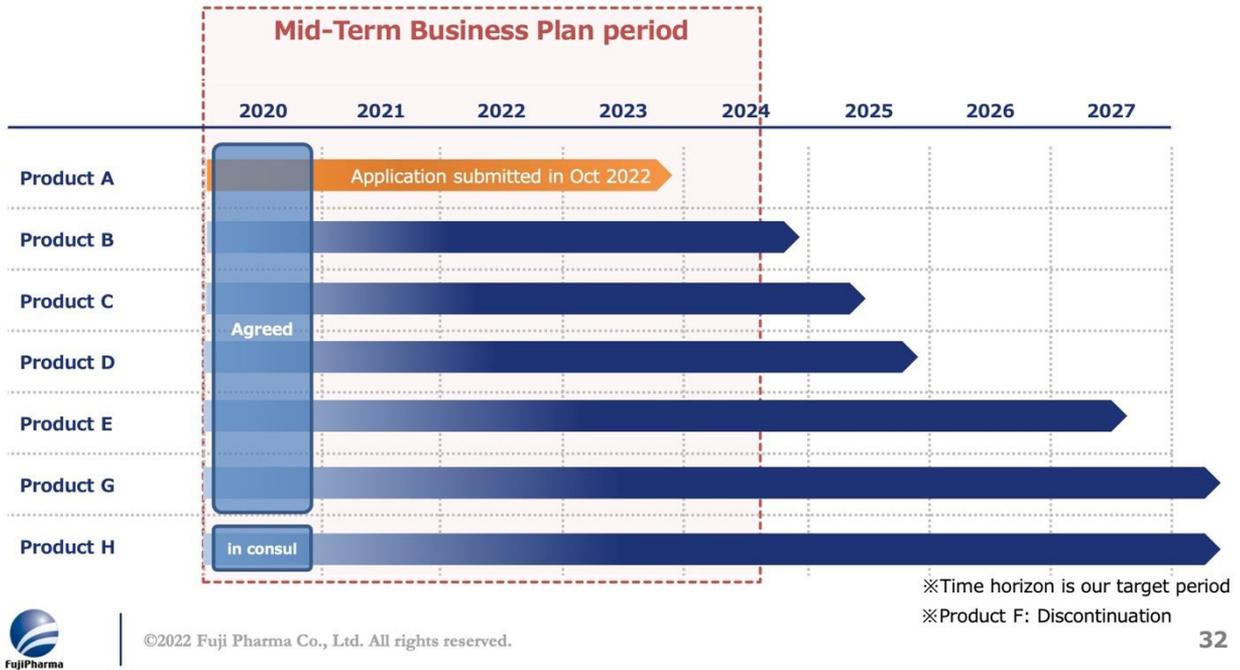
North America 1.800.674.8375
Email Support support@scriptasia.com



Other Mid-Term Business Plan Key Measures: Biosimilars

- ✓ November 2018: Agreed to commercialize biosimilars in Japan with Alvotech
- ✓ February 2022: Newly agreed upon requirements for development and marketing of one biosimilars under development by Alvotech
- ✓ October 2022: Application for marketing approval for one biosimilar product

6 products that have reached agreement between Fuji and Alvotech (Domestic market size: Approx. 220 JPY billion total)



32

Next, biosimilars. There is no change from what has been indicated previously.

Product A at the top was the first product to be submitted for approval in October this year, in collaboration with Alvotech.

We have already concluded an agreement with Alvotech for these products and several other items in the lower part of the table. In line with this agreement, we aim to expand our biosimilar product portfolio in preparation for the next mid-term business plan. We will report again when we have made further progress in this area.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com

 Asia's Meetings, Globally

Quality Initiatives

- **Establishment of a special page on quality measures**

<https://www.fujipharma.jp/company/quality/>

- Quality policy

- 1.Thorough compliance with laws
- 2.Assurance of high quality and reliability
- 3.Pursuing the latest manufacturing technologies
- 4.Focus on improving the quality of pharmaceuticals
- 5.Develop human resources



- Responsible Officers and Three Officers

- Director in charge

Chairman of the Board	Hirofumi Imai
President and Representative Director General Manager of Research & Development Division	Takayuki Iwai
Executive Vice President Chief of the Toyama Plant	Toyoyuki Kamide

- Triad

General Pharmaceutical Marketing Director	Kazuhsa Sakurai (pharmacist) Director of Executive Quality Assurance
Quality Assurance Supervisor	Mitsuo Mizuguchi Office of Relief Funds Quality Assurance Group Manager
Safety Management Supervisor	Nao Takigawa (Pharmacist) Office of Relief Funds Safety Awareness Group Leaders of three safety management departments



©2022 Fuji Pharma Co., Ltd. All rights reserved.

33

Last but not least, I would like to conclude my explanation with a few words on product quality. Here is our quality policy.

The two most important aspects of our quality policy are listed here. The first point is to ensure compliance with laws and regulations. The second is to guarantee high quality and reliability. By firmly implementing these measures, we will provide pharmaceuticals that patients and medical institutions can use with confidence.

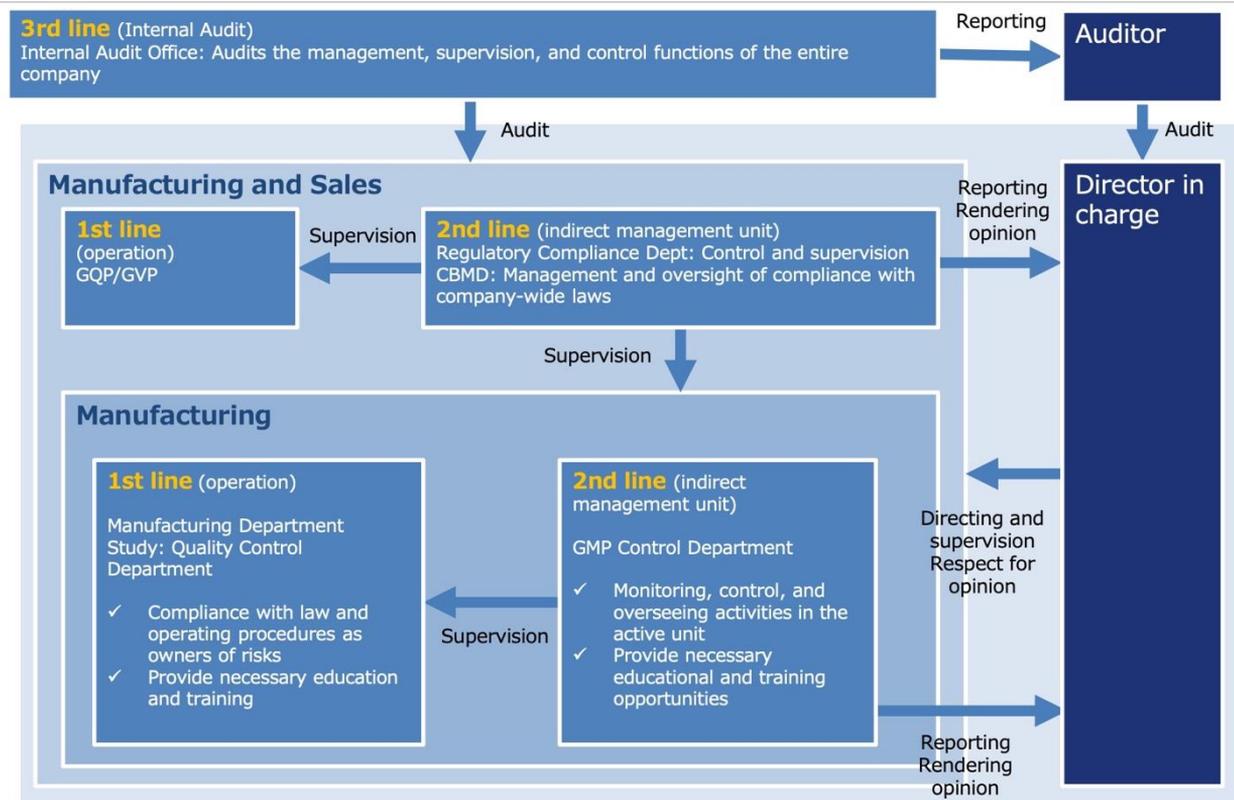
Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



Quality Initiatives: Three-Line Risk Management System



©2022 Fuji Pharma Co., Ltd. All rights reserved.

34

We are also in the process of putting in place a management system to ensure the success of our efforts.

I would like to expand on what's in the slide here. At each stage of production, sales, and manufacturing, we see this first line. In terms of the first-line management, each production, sales, or manufacturing site must take the initiative in complying with laws and regulations.

Second line management covers the GMP management department in manufacturing and the reliability assurance department on the sales and marketing side. These ensure that we are operating in accordance with the laws and ministerial ordinances, respectively. They also cover assessing capabilities necessary for operations. We check these matters on a case-by-case basis, and if necessary, make improvements in an appropriate and concrete manner, confirming that definitive preventive measures are in place.

The right side of the page shows the reports from the manufacturing and sales companies to the responsible officers, as well as statements of opinions. Reports to the responsible officers are conducted periodically at our manufacturing sites.

Last but not least, it is necessary to ensure that these efforts are functioning well as a system. The internal audit department plays a central role in regularly auditing and checking. The corporate auditors then check whether the company as a whole is functioning properly, and if necessary, address any issues.

We are working to strengthen our culture of legal compliance in accordance with our quality policy. We will further develop a culture and climate of legal compliance and firmly implement the PDCA cycle to guarantee high quality and reliability.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



31

With this, I would like to conclude my explanation of key measures for the fiscal year ending September 30, 2023. Thank you all for your kind attention.

Moderator: Thank you both very much for your presentations.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptsasia.com



Question & Answer

Moderator [Q]: We will now move on to the question-and-answer session.

We have received many questions. I will now read the first question.

You asked for a breakdown of the JPY1.35 billion increase in R&D expenses over the previous year. Thank you.

Iwai [M]: Thank you very much. Mr. Sato will take this question.

Sato [A]: Sato here. Thank you for your question. This is not an exhaustive breakdown, but the main point is the Phase III clinical trials for FSN-013, the dysmenorrhea drug, which began in August 2021. The costs here will be recorded in the current period, which will increase the expenses. That is the biggest factor. Thank you.

Moderator [Q]: Thank you very much. Now for the next question.

The question asks for a breakdown of the JPY7 billion capital investment. Thank you.

Iwai [M]: Thank you very much. Mr. Sato will answer this question as well.

Sato [A]: Sato here. Thank you for your question.

There are several points here. One is the new tablet building, which Mr. Iwai mentioned in his presentation. This is the so-called number six building, and the cost was JPY3.5 billion. Next is building number seven, the new packaging building, which has been discussed in previous briefings. There was also logistics warehouse number two. Together, these cost JPY1.2 billion. Then there is the high-potency, multi-syringe line, which will be in formulation building number five, which is JPY700 million. That is a rough breakdown. Thank you.

Moderator [Q]: Thank you very much. Now for the next question.

The question asks for information on the most recent infertility treatment market trends after the insurance coverage expansion in April 2022. Thank you.

Iwai [A]: I would like to answer this question. Since the insurance coverage expansion in April of this year, the number of cases in the infertility treatment market has been on the increase.

There are several factors, one of which is the market environment in which access to medical facilities has become easier for those in need of treatment now that insurance coverage has been formalized. Another thing is that access to medical facilities for young people seems to be increasing compared to the past. There has been a slight increase since June or July of this year.

Another reason is that there is a limit on the number of times the conventional assistance system could be used. The introduction of insurance coverage has reset that number, resulting in an increase in the number of patients who are visiting medical institutions again. These things are having a positive impact.

On the other hand, since there were differences in the existing subsidy system by region, we have heard that in some areas, the level of benefits has fallen slightly after insurance coverage began. As a result, we believe that the current increase is due to easier accessibility as a result of insurance coverage as a whole. The factors I just mentioned have meant that the increase was not so significant in some areas.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



Therefore, we feel that the expansion of insurance coverage for our products is having a slightly positive impact compared to the previous year. Thank you.

Moderator [Q]: Thank you very much. Now for the next question.

The question asks for you to tell us the basis for the JPY2.8 billion increase in F-meno sales over the previous year. Thank you.

Iwai [A]: I would like to answer this question as well.

There is one major factor. This is the lifting of long-term prescription restrictions on F-meno effective December 1. The reason for the rather large increase in the amount this quarter compared to the previous quarter is, very simply, that we have been preparing for the past year for the lifting of this long-term prescription restriction.

In terms of preparation, there are several points I would like to mention. One thing I would like to point out about the market situation is that out of the facilities we consider to be major facilities, about 70% to 80% have already decided to use this treatment.

Secondly, in order to provide more accurate information to medical institutions, we have been training 27 MRs as certified menopause experts, and these and other specialized MRs are currently providing information to facilities.

We have already started marketing with M3 in [inaudible]. This has also contributed to a significant increase in coverage, including outside of the target facilities.

Based on these three measures, the Company expects the use of F-meno to increase significantly this fiscal year, following the lifting of restrictions on long-term prescriptions in December. This is the basis for the increase. Thank you.

Moderator [Q]: Thank you very much. Now to the next question.

Other generic manufacturers continue to struggle. Demand is strong, but the emergence of quality problems at some manufacturers is resulting in a greater than expected rise in management costs due to stricter compliance. The question states that the Company does not seem to be affected much. The question asks for any suggestion as to the factors that may be contributing to this. That is the question. Thank you.

Iwai [M]: Thank you very much. I would like to pass this question to Mr. Sato.

Sato [A]: Thank you for your question. I am not sure if this will be a precise answer to your question, but I would like to divide it into three parts.

First of all, your question implies that other generic manufacturers continue to struggle. As Mr. Iwai explained earlier, the ratio of new drugs in the women's healthcare exceeds 40%. We view ourselves as a specialty pharmaceutical company, so the first explanation is that we are not in the same business category or have the same business structure as so-called generic manufacturers.

Secondly, as a pharmaceutical company, we are taking steps to strengthen compliance with quality issues as a matter of course. As we have explained in the past, and as was touched on today, the organizational changes necessary for this are ongoing. I would also like to mention our in-house training. Mr. Iwai has repeatedly mentioned this point at company-wide briefings and company-wide morning meetings.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



At the Toyama factory meetings, each organization also sets quality goals and works to cross-check progress against these goals.

As for the third point regarding costs, we have been working on DX in Toyama for the past two years. This area includes not only quality initiatives, but also various efficiency improvements in manufacturing, other plant areas, and research. From this period, we have set up a system management business unit, and this unit is beginning its operations.

I don't know if this is a complete answer to your question, but these are the three points I would like to make. Thank you.

Moderator [Q]: Thank you very much. It is almost time for us to end, so we will wrap up with the next question. The question is as follows.

Sales in women's healthcare will reach JPY20 billion in the Company's 59th term, but what is the main breakdown? The question also asks for a forecast for the Company's 60th term. Thank you.

Iwai [M]: I mentioned some product names in my explanation, but I think it is necessary to talk a little about sales by product, and I will pass this to Mr. Sato.

Sato [A]: Your question is about the JPY20 billion sales in women's healthcare in the 59th term, its breakdown, and what will happen in the 60th term. As Mr. Iwai just mentioned, some of this is mentioned in the materials, but I will first answer in two parts.

First, in terms of the fiscal year ending September 30, 2023, F-meno has forecast sales of JPY3.5 billion. The figures for oral contraceptives Favor and Labellefile are JPY2.2 billion and JPY1.7 billion, respectively. Then there is JPY2 billion for Dienogest. Doxil, which was disclosed in July 2021, will be switched over on December 1 and has forecast sales of JPY1.4 billion.

For the 60th term, the fiscal year ending September 30, 2024, as Mr. Iwai explained, sales of our six main products are forecast to have exceeded the plan for 2020. We expect sales of our six main products to exceed JPY10 billion.

If we add new products to this lineup, we expect total sales in this fiscal year to exceed the JPY20 billion FY2024 target announced in our medium-term management plan in May 2020. We expect sales to exceed that target by an even greater margin in FY2024 itself. Thank you.

Moderator [M]: Thank you very much. We received many questions, and we apologize for not being able to answer all of them.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptasia.com



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 Planning Section
Corporate Planning Department
Corporate Strategy Division

E-Mail : fsk_ir@fujipharma.jp

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



©2022 Fuji Pharma Co., Ltd. All rights reserved.

41

If you have any questions after the briefing, please contact the Corporate Planning Department as indicated in the presentation materials.

This concludes the presentation of the financial results for the fiscal year ending September 30, 2022, of Fuji Pharma. Thank you all for your participation today.

[END]

Document Notes

1. Portions of the document where the audio is unclear are marked with [Inaudible].
2. Portions of the document where the audio is obscured by technical difficulty are marked with [TD].
3. Speaker speech is classified based on whether it [Q] asks a question to the Company, [A] provides an answer from the Company, or [M] neither asks nor answers a question.
4. This document has been translated by SCRIPTS Asia.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptsasias.com



36

Disclaimer

SCRIPTS Asia reserves the right to edit or modify, at its sole discretion and at any time, the contents of this document and any related materials, and in such case SCRIPTS Asia shall have no obligation to provide notification of such edits or modifications to any party. This event transcript is based on sources SCRIPTS Asia believes to be reliable, but the accuracy of this transcript is not guaranteed by us and this transcript does not purport to be a complete or error-free statement or summary of the available data. Accordingly, SCRIPTS Asia does not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information contained in this event transcript. This event transcript is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal.

In the public meetings and conference calls upon which SCRIPTS Asia's event transcripts are based, companies may make projections or other forward-looking statements regarding a variety of matters. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the applicable company's most recent public securities filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are accurate and reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the anticipated outcome described in any forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE PUBLIC MEETING OR CONFERENCE CALL. ALTHOUGH SCRIPTS ASIA ENDEAVORS TO PROVIDE ACCURATE TRANSCRIPTIONS, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE TRANSCRIPTIONS. IN NO WAY DOES SCRIPTS ASIA OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BY ANY PARTY BASED UPON ANY EVENT TRANSCRIPT OR OTHER CONTENT PROVIDED BY SCRIPTS ASIA. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S PUBLIC SECURITIES FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS. THIS EVENT TRANSCRIPT IS PROVIDED ON AN "AS IS" BASIS. SCRIPTS ASIA DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, AND ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT.

None of SCRIPTS Asia's content (including event transcript content) or any part thereof may be modified, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of SCRIPTS Asia. SCRIPTS Asia's content may not be used for any unlawful or unauthorized purposes.

The content of this document may be edited or revised by SCRIPTS Asia at any time without notice.

Copyright © 2022 SCRIPTS Asia Inc. ("SCRIPTS Asia"), except where explicitly indicated otherwise. All rights reserved.

Support

Japan 050.5212.7790
Tollfree 0120.966.744

North America 1.800.674.8375
Email Support support@scriptsasia.com

