

# FY9/2020 Investor Meeting Materials

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Nov 20, 2020

**Fuji Pharma Co., Ltd.**

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**FujiPharma**

Chapter 1 **Summary of FY9/20 Consolidated Financial Results**

Chapter 2 **FY9/21 Consolidated Forecast**

Chapter 3 **Mid-Term Business Plan Progress**



Chapter

1

# Summary of FY9/20 Consolidated Financial Results

- **Achieved the budget despite COVID-19 impact**
  - Due to COVID-19, SG&A saving absorbed R&D expense increase
  - Sales of 6 key women's healthcare products increased
  - The demand for contrast media declined from April to June due to COVID-19, but has recovered since July
  
- **R&D Related Topics**
  - FSN-011-01: Concluded Phase III
  - FSN-013: Application accepted in EU and US (EU: February / US: April)

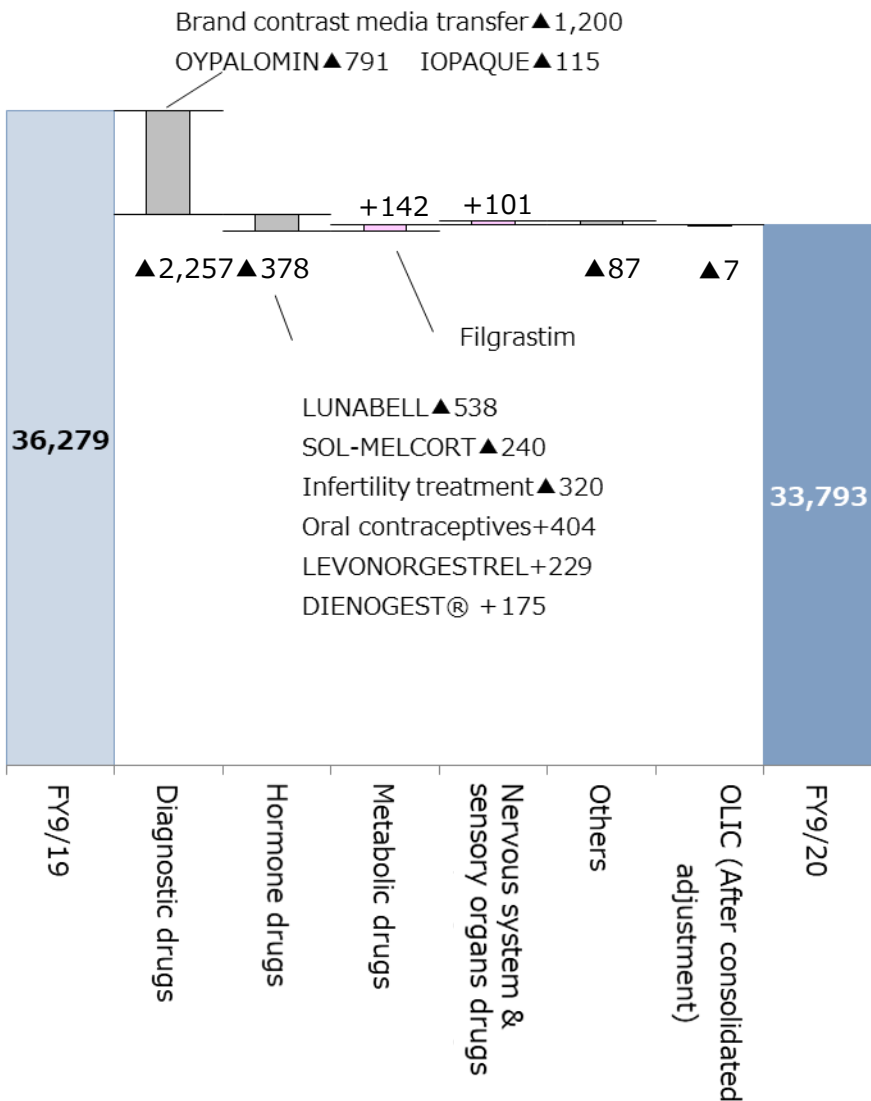
# Summary of FY9/20 Consolidated Financial Results

- Net Sales : Due to brand contrast media transfer, launch of LUNABELL® AG, 2-time drug price revisions, and COVID-19, net sales decreased by JPY 2.486 billion (YoY-6.9%).
- Operating Profit : Gross profit margin improved due to sales mix. sales-related expenses declined under COVID-19, and R&D expenses rose sharply, resulting in decrease by JPY 1.034 billion (YoY -24.8%).

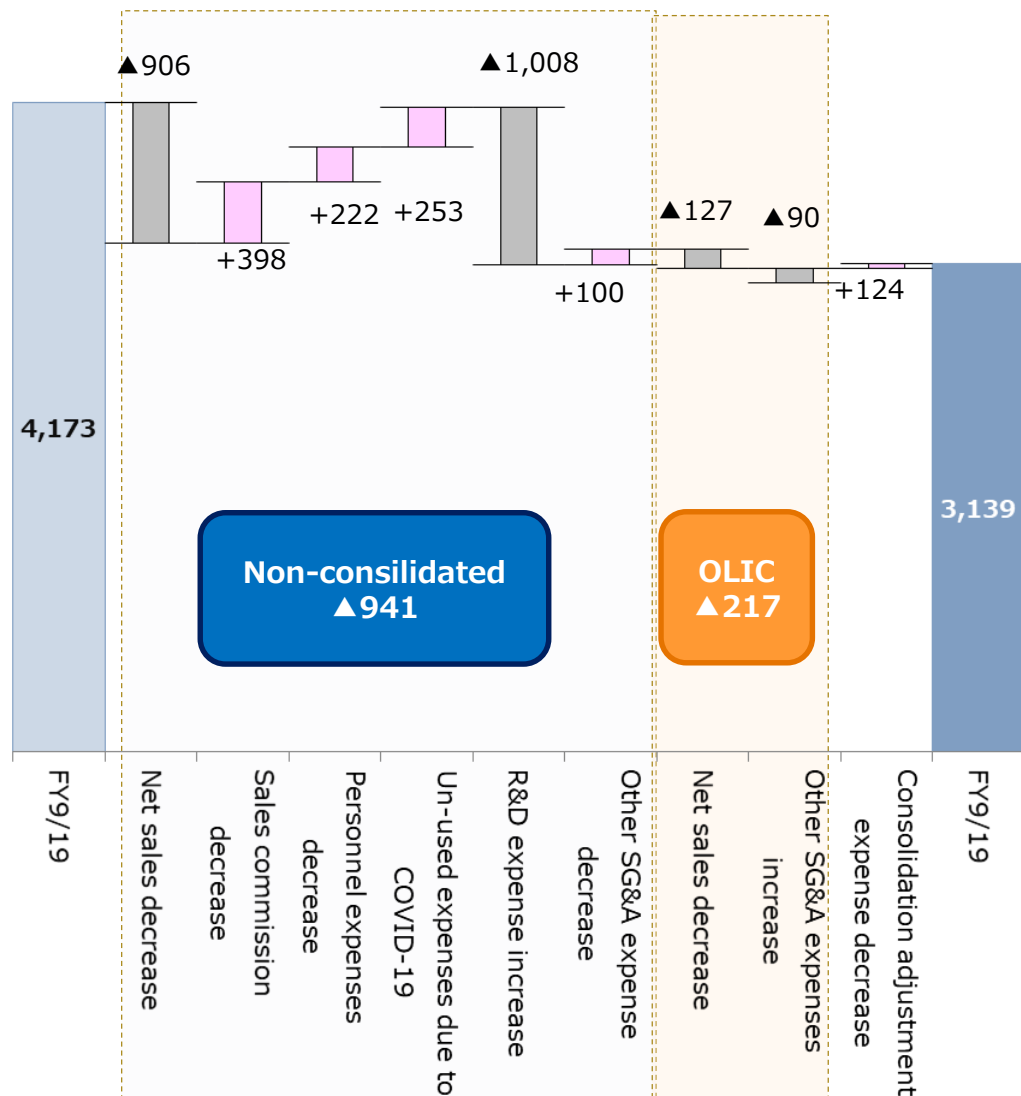
(¥million)	FY9/19	FY9/20	YoY Change		FY9/20	vs Fcst
	Full Year	Full Year	Amount	Ratio	Fcst	Change in Amount
Net Sales	36,279	<b>33,793</b>	▲ 2,486	-6.9%	33,830	▲ 37
Gross Profit	15,796	<b>14,872</b>	▲ 924	-5.8%	-	-
Gross Margin	43.5%	<b>44.0%</b>			-	-
SG&A Expenses	11,622	<b>11,732</b>	110	0.9%	-	-
SG&A Margin	32.0%	<b>34.7%</b>			-	-
Operating Profit	4,173	<b>3,139</b>	▲ 1,034	-24.8%	2,571	568
Operating Margin	11.5%	<b>9.3%</b>			7.6%	
Ordinary Profit	4,169	<b>2,983</b>	▲ 1,186	-28.4%	2,501	482
Ordinary Margin	11.5%	<b>8.8%</b>			7.4%	
Profit Attributable to Owners of Parent	2,962	<b>2,085</b>	▲ 877	-29.6%	1,664	421
Profit Margin	8.2%	<b>6.2%</b>			4.9%	
ROA	7.3%	<b>4.9%</b>				
ROE	7.9%	<b>5.3%</b>				
Net income per Share (Yen)	97.04	<b>66.94</b>				
Dividend payout ratio	29.9%	<b>43.3%</b>				
Capital Expenditure	1,965	<b>2,965</b>	1,000	50.9%	3,260	▲ 295
Depretiation (Including Leased Equipment)	1,934	<b>1,858</b>	▲ 76	-3.9%	1,891	▲ 33
R&D Expenses	2,052	<b>3,060</b>	1,008	49.1%	2,879	181
R&D Expenses Ratio	5.7%	<b>9.1%</b>			8.5%	

# Summary of FY9/20 Consolidated Financial Results (YoY)

## Net Sales (Unit:¥million)

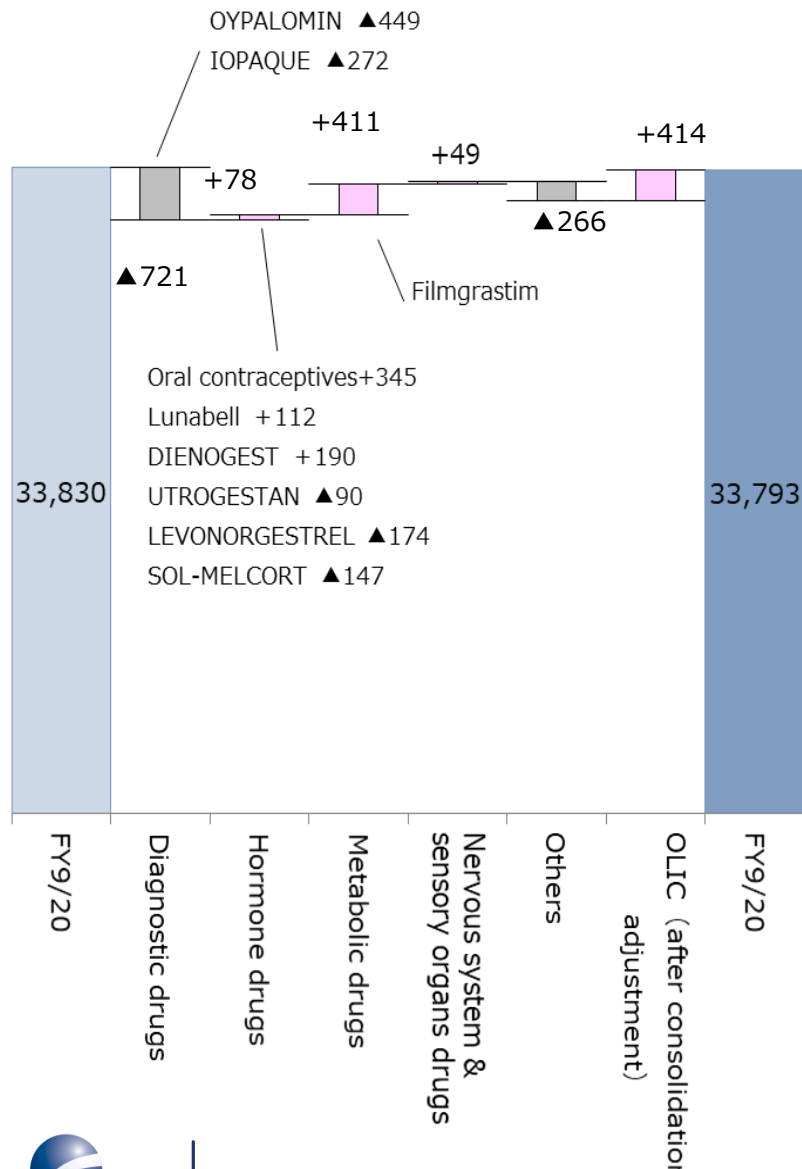


## Operating Profit (Unit:¥million)

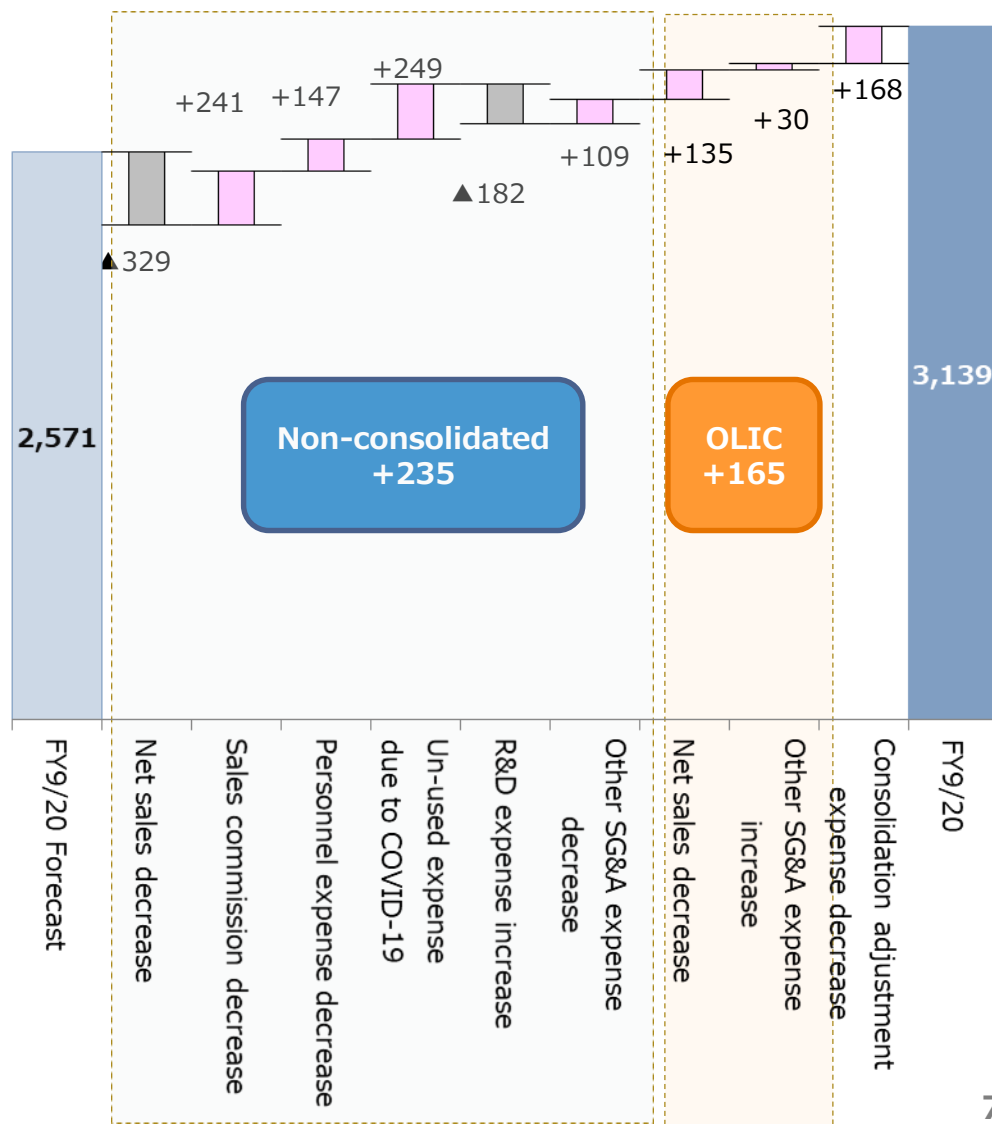


# Summary of FY9/20 Consolidated Financial Results (v. Forecast)

## Net Sales (Unit:¥million)



## Operating Profit (Unit:¥million)

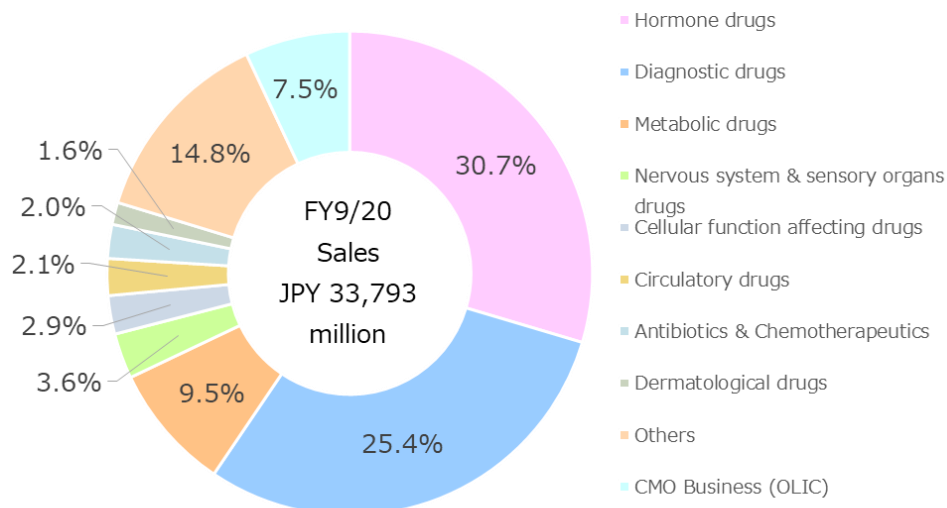


# Sales by Therapeutic Category

(¥million)	FY9/16	FY9/17	FY9/18	FY9/19	FY9/20	YoY Change	
						Amount	Ratio
Hormone drugs	9,709	10,275	10,981	10,741	<b>10,363</b>	▲ 378	-3.5%
Diagnostic drugs	13,808	13,473	14,323	10,827	<b>8,570</b>	▲ 2,257	-20.8%
Metabolic drugs	2,706	2,828	2,882	3,074	<b>3,216</b>	142	4.6%
Nervous system & sensory organs drugs	237	197	165	1,099	<b>1,200</b>	101	9.2%
Cellular function affecting drugs	319	627	881	932	<b>966</b>	34	3.6%
Circulatory drugs	1,008	945	925	891	<b>714</b>	▲ 177	-19.9%
Antibiotics & Chemotherapeutics	812	874	801	820	<b>689</b>	▲ 131	-16.0%
Dermatological drugs	352	384	505	537	<b>538</b>	1	0.2%
Others	3,038	3,380	3,966	4,815	<b>5,000</b>	185	3.8%
CMO Business (OLIC)	2,236	2,400	2,476	2,539	<b>2,532</b>	▲ 7	-0.3%
<b>Total</b>	<b>34,229</b>	<b>35,387</b>	<b>37,909</b>	<b>36,279</b>	<b>33,793</b>	<b>▲ 2,486</b>	<b>-6.9%</b>

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

## Sales Breakdown by Therapeutic Category





# Sales of Major Products

Product Name (¥million)	Therapeutic Category	FY9/16	FY9/17	FY9/18	FY9/19	FY9/20	YoY		FY9/20 Budget
							Amount	Ratio	
OYPALOMIN <sup>®</sup> Injection	Diagnostic drugs	7,029	6,879	6,769	7,192	<b>6,401</b>	▲ 791	-11.0%	6,849
Filgrastim BS Injection Syringe	Metabolic drugs	<u>1,481</u>	<u>1,671</u>	<u>1,721</u>	<u>1,974</u>	<b>2,299</b>	325	16.5%	<u>1,805</u>
IOPAQUE <sup>®</sup> Injection	Diagnostic drugs	2,133	2,162	2,010	2,287	<b>2,172</b>	▲ 115	-5.0%	2,444
DIENOGEST <sup>®</sup> Tablets	Hormone drugs	-	307	828	1,136	<b>1,311</b>	175	15.4%	1,121
GABAPEN <sup>®</sup> Tablets	Nervous system & sensory organs drugs	-	-	-	-	<b>1,104</b>	-	-	988
LUNABELL <sup>®</sup> Tablets (LD/ULD)	Hormone drugs	<u>3,017</u>	<u>2,845</u>	<u>2,769</u>	<u>1,583</u>	<b>1,045</b>	▲ 538	-34.0%	933
Favor <sup>®</sup> Tablets	Hormone drugs	537	601	552	768	<b>1,019</b>	251	32.7%	766
DEXART <sup>®</sup> Injection	Hormone drugs	813	866	870	894	<b>874</b>	▲ 20	-2.2%	875
Labellefill <sup>®</sup> Tablets	Hormone drugs	354	398	526	709	<b>862</b>	153	21.6%	769
HMG Intramuscular Injection	Hormone drugs	917	891	880	811	<b>752</b>	▲ 59	-7.3%	703
UTROGESTAN <sup>®</sup> Vaginal Capsules	Hormone drugs	<u>254</u>	<u>578</u>	<u>649</u>	<u>788</u>	<b>712</b>	▲ 76	-9.6%	<u>803</u>
LEVONORGESTREL Tablets	Hormone drugs	-	-	-	431	<b>660</b>	229	53.1%	834
FOLYRMON <sup>®</sup> -P Injection	Hormone drugs	512	583	638	632	<b>560</b>	▲ 72	-11.4%	607
LIMAPTROST ALFADEX tablets	Metabolic drugs	588	572	621	591	<b>498</b>	▲ 93	-15.7%	559
Clomid <sup>®</sup>	Hormone drugs	<u>457</u>	<u>474</u>	<u>480</u>	<u>451</u>	<b>404</b>	▲ 47	-10.4%	<u>456</u>
Total Top 15 Sales		18,099	18,834	19,320	20,254	<b>20,682</b>	428	2.1%	20,518
Pct. Of Total Sales		52.9%	53.2%	51.0%	55.8%	61.2%			60.7%
Other Products		13,894	14,152	16,112	13,485	<b>10,578</b>	▲ 2,907	-21.6%	11,193
CMO Business (OLIC)		2,236	2,400	2,476	2,539	<b>2,532</b>	▲ 7	-0.3%	2,118
Total		34,229	35,387	37,909	36,279	<b>33,793</b>	▲ 2,486	-6.9%	33,830
[Reference]Branded contrast media		4,076	4,006	5,288	1,255	<b>0</b>	▲ 1,255	-100.0%	

Acute Medical Care    Women's Healthcare

\* 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 adjustmentTotal

# Sales by Medical Field and Dosage Form Category

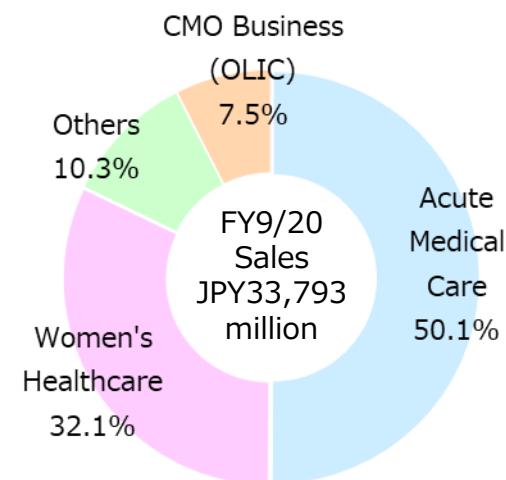
Medical Field Category (¥million)	FY9/16	FY9/17	FY9/18	FY9/19	FY9/20	YoY	
						Amount	Ratio
Acute Medical Care	19,997	20,264	21,895	19,340	<b>16,926</b>	▲ 2,414	-12.5%
Women's Healthcare	9,582	10,212	10,802	10,756	<b>10,836</b>	80	0.7%
Others	2,413	2,509	2,734	3,643	<b>3,497</b>	▲ 146	-4.0%
CMO Business (OLIC)	2,236	2,400	2,476	2,539	<b>2,532</b>	▲ 7	-0.3%
<b>Total</b>	<b>34,229</b>	<b>35,387</b>	<b>37,909</b>	<b>36,279</b>	<b>33,793</b>	<b>▲ 2,486</b>	<b>-6.9%</b>

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

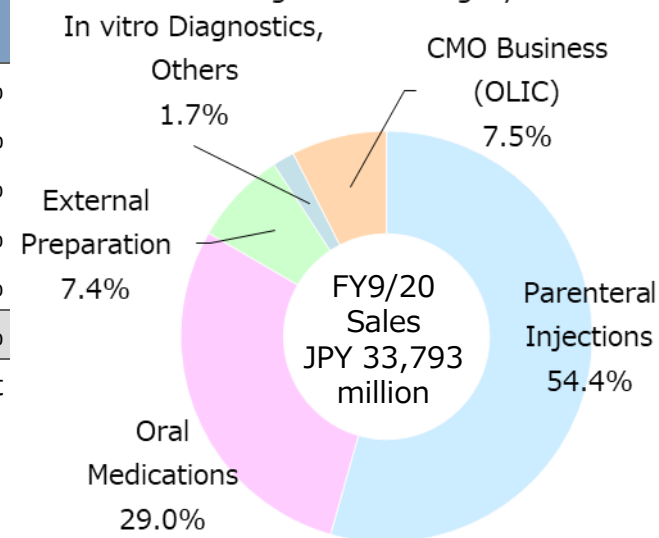
Dosage Form Category (¥million)	FY9/16	FY9/17	FY9/18	FY9/19	FY9/20	YoY	
						Amount	Ratio
Parenteral Injections	21,452	21,463	23,260	20,665	<b>18,379</b>	▲ 2,286	-11.1%
Oral Medications	8,020	8,547	8,937	9,729	<b>9,799</b>	70	0.7%
External Preparation	1,818	2,165	2,441	2,636	<b>2,499</b>	▲ 137	-5.2%
In vitro Diagnostics, Others	701	811	793	709	<b>581</b>	▲ 128	-18.1%
CMO Business (OLIC)	2,236	2,400	2,476	2,539	<b>2,532</b>	▲ 7	-0.3%
<b>Total</b>	<b>34,229</b>	<b>35,387</b>	<b>37,909</b>	<b>36,279</b>	<b>33,793</b>	<b>▲ 2,486</b>	<b>-6.9%</b>

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

Sales Breakdown by Medical Field



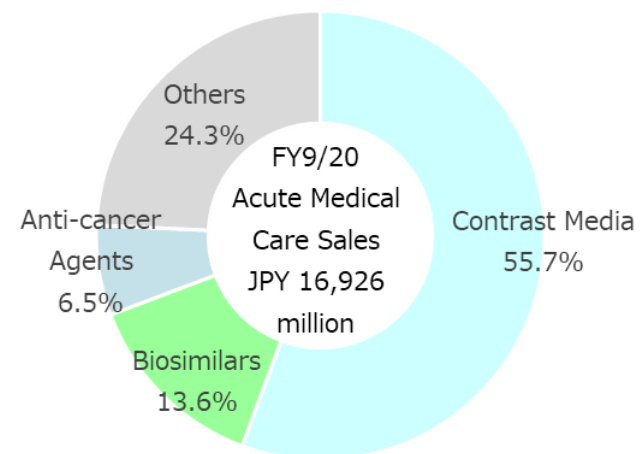
Sales Breakdown by Dosage Form Category



# Sales of Acute Medical Care and Women's Healthcare

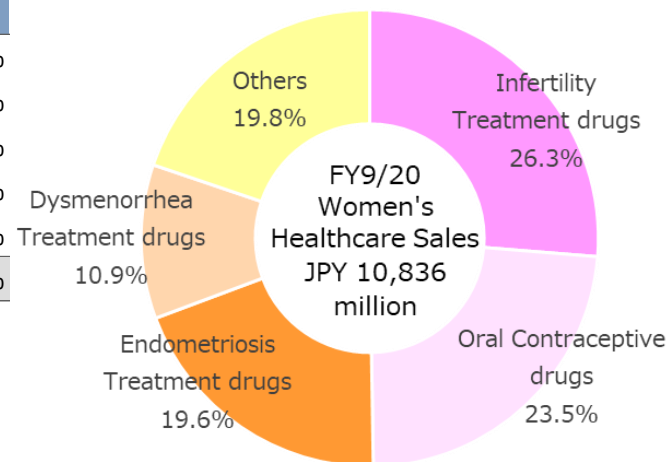
Acute Medical Care (¥Million)	FY9/16	FY9/17	FY9/18	FY9/19	FY9/20	YoY	
						Amount	Ratio
Contrast Media	13,491	13,193	14,062	11,852	<b>9,423</b>	▲ 2,429	-20.5%
Biosimilars	1,481	1,671	1,721	1,974	<b>2,299</b>	325	16.5%
Anti-cancer Agents	508	862	1,166	988	<b>1,095</b>	107	10.8%
Others	4,516	4,537	4,945	4,524	<b>4,107</b>	▲ 417	-9.2%
<b>Total</b>	<b>19,997</b>	<b>20,264</b>	<b>21,895</b>	<b>19,340</b>	<b>16,926</b>	<b>▲ 2,414</b>	<b>-12.5%</b>

## Acute Medical Care Net Sales Percentage



Women's Healthcare (¥Million)	FY9/16	FY9/17	FY9/18	FY9/19	FY9/20	YoY	
						Amount	Ratio
Infertility Treatment drugs	2,467	2,865	3,021	3,100	<b>2,848</b>	▲ 252	-8.1%
Oral Contraceptive drugs	892	1,000	1,079	1,909	<b>2,542</b>	633	33.2%
Endometriosis Treatment drugs	725	1,111	1,554	1,940	<b>2,119</b>	179	9.2%
Dysmenorrhea Treatment drugs	3,354	3,139	3,043	1,694	<b>1,180</b>	▲ 514	-30.3%
Others	2,142	2,095	2,103	2,110	<b>2,145</b>	35	1.7%
<b>Total</b>	<b>9,582</b>	<b>10,212</b>	<b>10,802</b>	<b>10,756</b>	<b>10,836</b>	<b>80</b>	<b>0.7%</b>

## Women's Healthcare Net Sales Percentage



# FY9/20 Summary of Consolidated Balance Sheet

FY9/20 Summary of Consolidated Balance Sheet (¥million)	FY9/19	FY9/20	YoY Change	
	Year End	Year End	Amount	Ratio
<b>Assets</b>				
Current Assets	33,919	<b>34,975</b>	1,056	3.1%
Cash and Deposits	8,494	<b>12,041</b>	3,547	41.8%
Notes and Accounts Receivable - Trade	12,944	<b>11,700</b>	▲ 1,244	-9.6%
Inventories	10,712	<b>10,682</b>	▲ 30	-0.3%
Other	1,767	<b>549</b>	▲ 1,218	-68.9%
Non-current Assests	26,817	<b>26,987</b>	170	0.6%
Property, Plant and Equipment	11,718	<b>12,767</b>	1,049	9.0%
Intangible Assets	3,300	<b>2,899</b>	▲ 401	-12.2%
Investments and Other Assets	11,798	<b>11,320</b>	▲ 478	-4.1%
<b>Total Assets</b>	<b>60,737</b>	<b>61,962</b>	<b>1,225</b>	<b>2.0%</b>
<b>Liabilities</b>				
Current Liabilities	12,012	<b>11,004</b>	▲ 1,008	-8.4%
Notes and Accounts Payable - Trade	4,813	<b>3,680</b>	▲ 1,133	-23.5%
Other	7,198	<b>7,324</b>	126	1.8%
Non-current Liabilities	9,360	<b>10,996</b>	1,636	17.5%
<b>Total Liabilities</b>	<b>21,373</b>	<b>22,001</b>	<b>628</b>	<b>2.9%</b>
<b>Net Assets</b>				
Shareholders' Equity	38,804	<b>39,995</b>	1,191	3.1%
Capital Stock	3,799	<b>3,799</b>	0	0.0%
Capital Surplus	5,841	<b>5,841</b>	0	0.0%
Retained Earnings	29,243	<b>30,424</b>	1,181	4.0%
Treasury Shares	▲ 78	<b>▲ 68</b>	10	-12.8%
Accumulated Other Comprehensive income	556	<b>▲ 37</b>	▲ 593	-106.7%
<b>Total Net Assets</b>	<b>39,363</b>	<b>39,961</b>	<b>598</b>	<b>1.5%</b>
<b>Total Liabilites and Net Assets</b>	<b>60,737</b>	<b>61,962</b>	<b>1,225</b>	<b>2.0%</b>

Borrowed JPY 5 billion to prepare for business environment and financial markets due to COVID-19

Sales decrease

Toyama Plant Capex

Borrowed JPY 5 billion in response for COVID-19


# FY9/20 Summary of Consolidated Statements of Cash Flows

(\\$million)	FY9/19	FY9/20	YoY Change	
	Year End	Year End	Amount	Ratio
Cash Flows from Operating Activities	7,035	<b>5,770</b>	▲ 1,265	-18.0%
(Major Breakdown)				
Profit Before Income Taxes	3,961	<b>2,918</b>	▲ 1,043	-26.3%
Depreciation	1,850	<b>1,774</b>	▲ 76	-4.1%
	193	-	-	-
Amortization of Goodwill	279	<b>283</b>	4	1.4%
Decrease (Increase) in Notes and Accounts Receivable-Trade	3,965	<b>1,203</b>	▲ 2,762	-69.7%
Decrease (Increase) in Inventories	581	▲ 23	▲ 604	-104.0%
Decrease (Increase) in Notes and Accounts Receivable-Trade	▲ 1,937	▲ <b>1,102</b>	835	-43.1%
Income Taxes Paid	▲ 957	▲ <b>723</b>	234	-24.5%
Cash Flows from Investing Activities	▲ 12,024	▲ <b>2,616</b>	9,408	-78.2%
(Major Breakdown)				
Purchase of acquisition of Investment Securities	▲ 7,786	-	-	-
Purchase of Property, Plant and Equipment	▲ 1,701	▲ <b>2,322</b>	▲ 621	36.5%
Proceeds from Sales of Property, Plant and Equipment	4	<b>26</b>	22	550.0%
Purchase of Intangible Assets	▲ 1,583	▲ <b>293</b>	1,290	-81.5%
Cash Flows from Financint Activities	7,265	<b>450</b>	▲ 6,815	-93.8%
(Major Breakdown)				
Proceeds from Sale of Treasury Stock	2,225	-	-	-
Proceeds from Long-Term Loans Payable	7,000	<b>4,000</b>	▲ 3,000	-42.9%
	-	<b>1,000</b>	-	-
Repayments of Long-Term Loans Payable	▲ 630	▲ <b>3,140</b>	▲ 2,510	398.4%
Cash Dividends Paid	▲ 839	▲ <b>904</b>	▲ 65	7.7%
Repayments of Lease Obligations	▲ 490	▲ <b>505</b>	▲ 15	3.1%
Cash and Cash Equivalents at Beginning of Period	6,251	<b>8,494</b>	2,243	35.9%
Cash and Cash Equivalents at End of Period	8,494	<b>12,041</b>	3,547	41.8%
Free Cash Flows	▲ 4,989	<b>3,154</b>	8,143	-163.2%

Toyama Plant Capex

Borrowed JPY 5 billion to prepare for business environment and financial markets due to COVID-19

Long-term debt repayment scheduled to be repaid within one year



Chapter  
**2**

# **FY9/21 Consolidated Forecast**

### ● Consolidated net sales and net income increase YoY

- ❑ On the non-consolidated basis, both sales and profits are expected to increase, as the impact of COVID-19 will be mitigated and sales will increase due to strong demand in the women's healthcare field, which will absorb the increase in SG&A expenses such as R&D expenses.
- ❑ On the consolidated basis, operating income is expected to decrease YoY due to the impact of the depression in OLIC CMO business due to COVID-19.
- ❑ Sales in women's healthcare products increase to JPY 10.8 billion (+ JPY 700 million YoY), and demand for contrast media is also expected to recover, resulting in JPY 9.2 billion sales (+JPY 600 million YoY).

### ● R&D-Related Topics

- ❑ FSN-011-01: Apply for approval in FY9/21
- ❑ FSN-013: Start Phase III in Japan, after obtaining EU/US approval  
Signed co-dev./marketing agreement with M3
- ❑ Biosimilar: Agreement on 4 products with Alvotech

## FY9/21 Consolidated Forecast

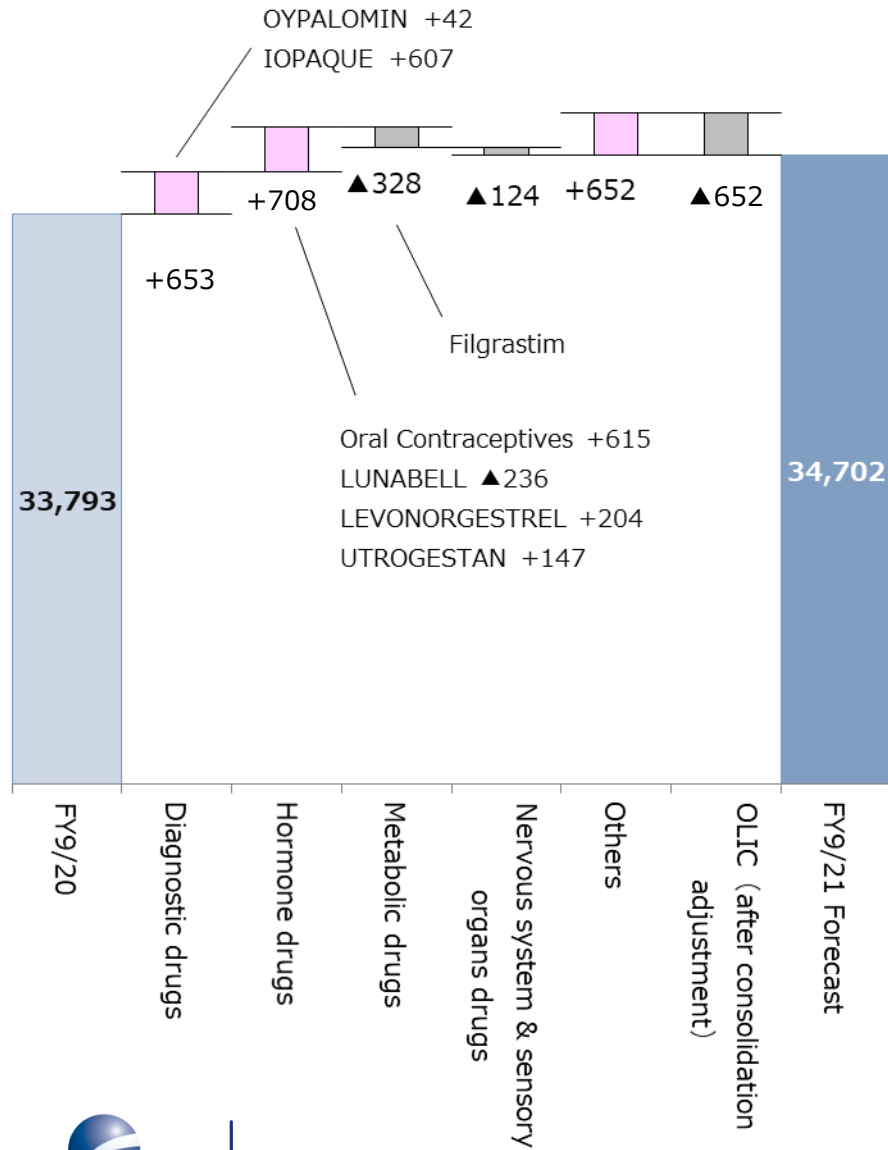
- Net sales: Less COVID-19 impact and increase in women's healthcare sales lead to net sales increase by JPY 909 million (+2.7% YoY)
- Operating profit: Despite the gross profit increase along with sales increase, SG&A expenses including R&D expenses increase and decline in OLIC profit result in JPY ▲282 million profit (▲9.6% YoY)

(¥million)	FY9/20 Performance	FY9/21 Forecast	YoY	
			Amount	Ratio
Net Sales	33,793	<b>34,702</b>	909	2.7%
Operating Profit	3,139	<b>2,857</b>	▲ 282	-9.0%
Operating Margin	9.3%	<b>8.2%</b>	-	-
Ordinary Profit	2,983	<b>2,807</b>	▲ 176	-5.9%
Ordinary Margin	8.8%	<b>8.1%</b>	-	-
Profit Attributable to Owners of Parent	2,085	<b>2,100</b>	15	0.7%
Profit Margin	6.2%	<b>6.1%</b>	-	-
Capital Expenditure	2,965	<b>6,672</b>	3,707	125.0%
Depreciation (Includind Leased Equipment)	1,858	<b>1,581</b>	▲ 277	-14.9%
R&D Expenses	3,060	<b>3,200</b>	140	4.6%
R&D Expenses Ratio	9.1%	<b>9.2%</b>	-	-

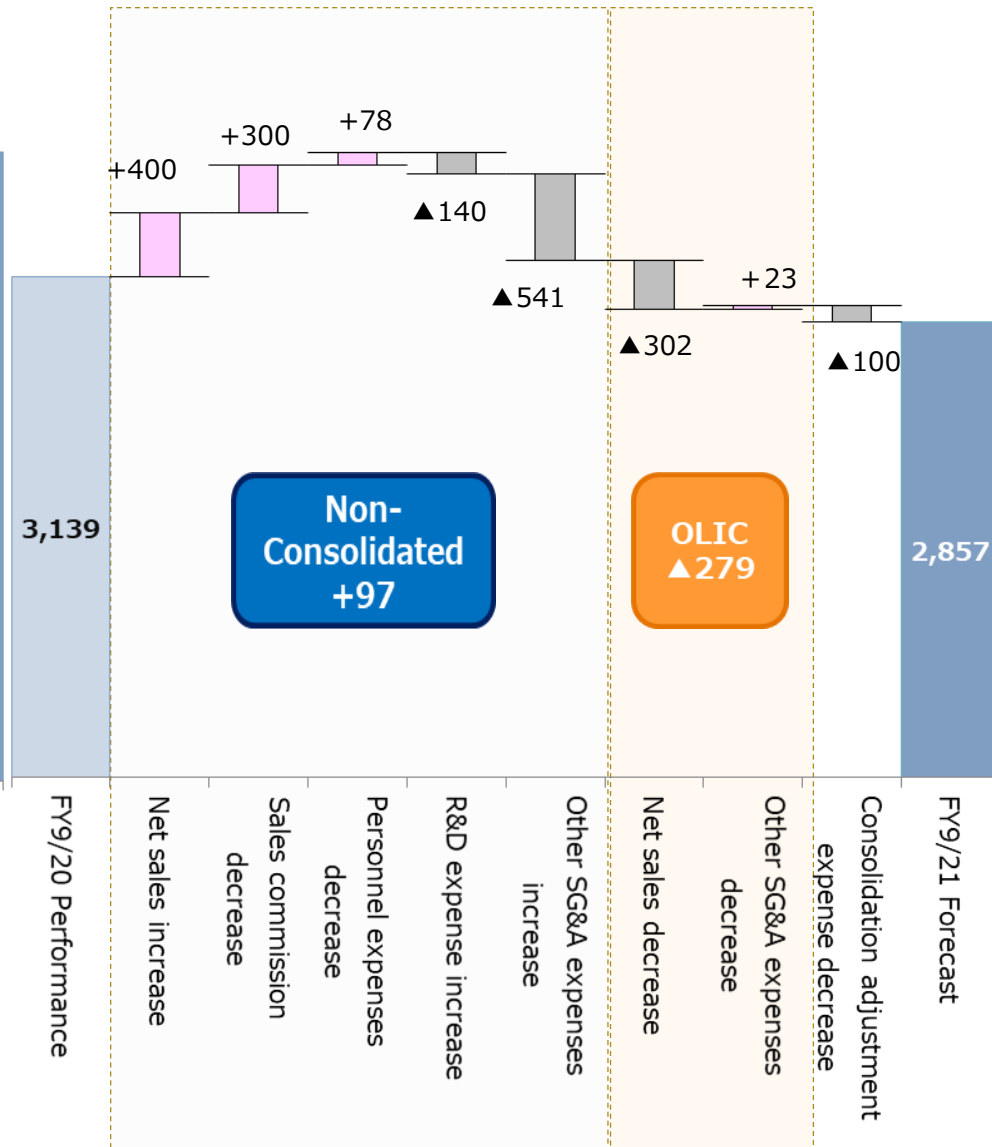


# FY9/21 Consolidated Forecast

## Net Sales (Unit:¥million)



## Operating Profit (Unit:¥million)



## Sales Forecast by Therapeutic Category and Medical Field

(¥million)	FY9/20	FY9/21	YoY	
	Performance	Forecast	Amount	Ratio
Hormone drugs	10,363	<b>11,071</b>	708	6.8%
Diagnostic drugs	8,570	<b>9,224</b>	654	7.6%
Metabolic drugs	3,216	<b>2,887</b>	▲ 329	-10.2%
Nervous system & sensory organs drugs	1,200	<b>1,075</b>	▲ 125	-10.4%
Cellular function affecting drugs	966	<b>994</b>	28	2.9%
Circulatory drugs	714	<b>694</b>	▲ 20	-2.8%
Antibiotics & Chemotherapeutics	689	<b>654</b>	▲ 35	-5.1%
In vitro Diagnostics	501	<b>651</b>	150	29.9%
Others	5,038	<b>5,566</b>	528	10.5%
CMO Business (OLIC)	2,532	<b>1,879</b>	▲ 653	-25.8%
<b>Total</b>	<b>33,793</b>	<b>34,702</b>	<b>909</b>	<b>2.7%</b>

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

(¥million)	FY9/20	FY9/21	YoY	
	Performance	Forecast	Amount	Ratio
Acute Medical Care	16,926	17,702	776	4.6%
Women's Healthcare	10,836	11,408	572	5.3%
Others	3,497	3,711	214	6.1%
CMO Business (OLIC)	2,532	1,879	▲ 653	-25.8%
<b>Total</b>	<b>33,793</b>	<b>34,702</b>	<b>909</b>	<b>2.7%</b>

# Sales Forecast of Major Products

Product Name (¥million)	Therapeutic Category	FY9/20 Performance	FY9/21 Forecast	YoY	
				Amount	Ratio
OYPALOMIN® Injection	Diagnostic drugs	6,401	<b>6,444</b>	43	0.7%
IOPAQUE® Injection	Diagnostic drugs	2,172	<b>2,780</b>	608	28.0%
Filgrastim BS Injection Syringe	Metabolic drugs	2,299	<b>2,099</b>	▲ 200	-8.7%
Favoir® Tablets	Hormone drugs	1,019	<b>1,326</b>	307	30.1%
DIENOGEST® Tablets	Hormone drugs	1,311	<b>1,275</b>	▲ 36	-2.7%
Labellefill® Tablets	Hormone drugs	862	<b>1,171</b>	309	35.8%
GABAPEN® Tablets	<u>Nervous system &amp; sensory organs drugs</u>	1,104	<b>1,009</b>	▲ 95	-8.6%
DEXART® Injection	Hormone drugs	874	<b>913</b>	39	4.5%
LEVONORGESTREL Tablets	Hormone drugs	660	<b>864</b>	204	30.9%
UTROGESTAN® Vaginal Capsules	<u>Hormone drugs</u>	<u>712</u>	<b>859</b>	<u>147</u>	<u>20.6%</u>
LUNABELL® Tablets (LD/ULD)	<u>Hormone drugs</u>	<u>1,045</u>	<b>808</b>	▲ <u>237</u>	-22.7%
FOLYRMON® -P Injection	Hormone drugs	560	<b>592</b>	32	5.7%
HMG Intramuscular Injection	Hormone drugs	752	<b>546</b>	▲ 206	-27.4%
Clomid®	<u>Hormone drugs</u>	404	<b>461</b>	57	<u>14.1%</u>
LIMAPTROST ALFADEX tablets	Metabolic drugs	498	<b>433</b>	▲ 65	-13.1%
Total Top 15 Sales		20,682	<b>21,586</b>	904	4.4%
Pct. Of Total Sales		61.2%	<b>62.2%</b>		
Other Products		10,578	<b>11,235</b>	657	6.2%
CMO Business (OLIC)		2,532	<b>1,879</b>	▲ 653	-25.8%
Total		33,793	<b>34,702</b>	909	2.7%

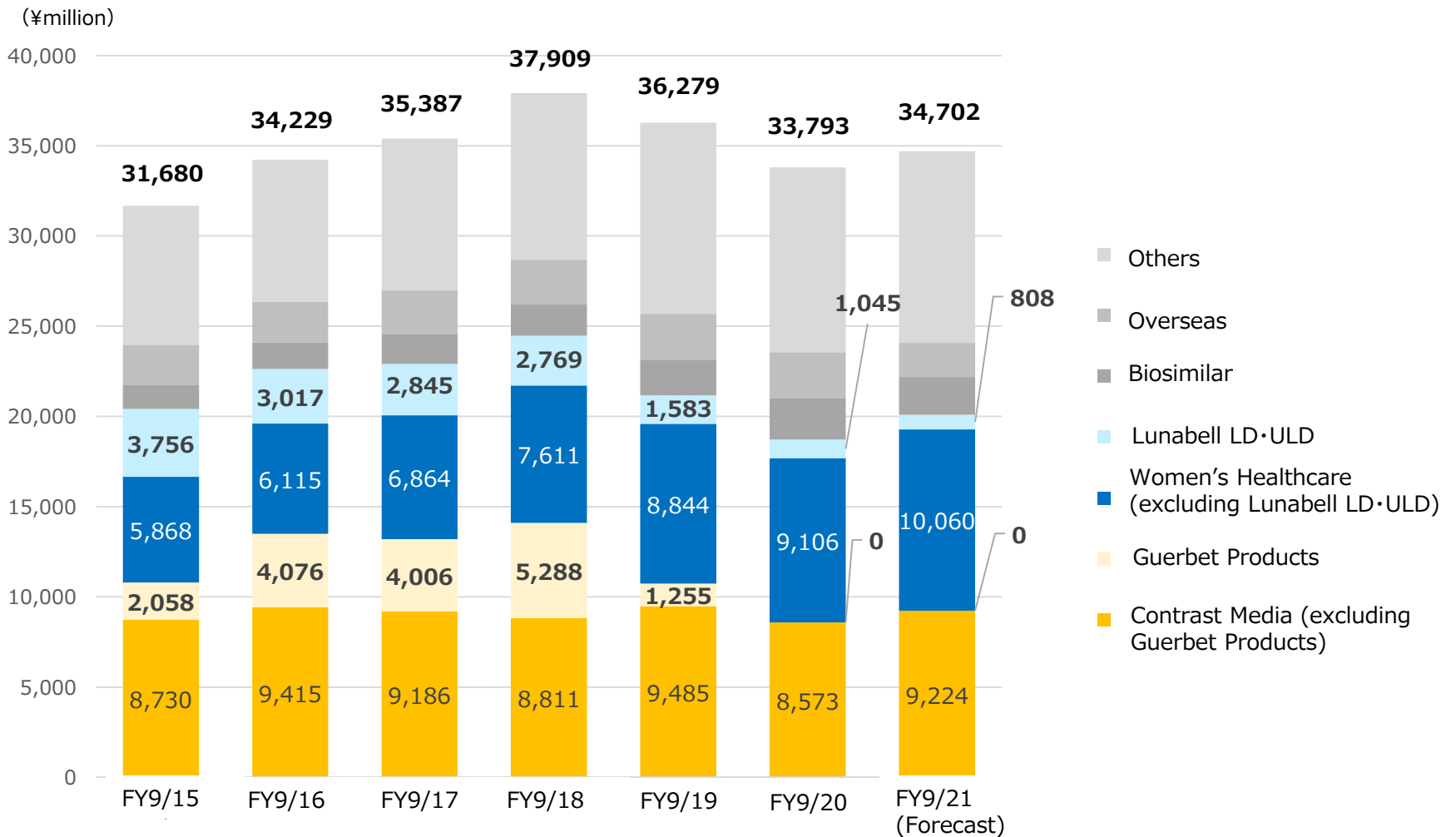
Acute Medical Care    Women's Healthcare

\* Underlined products are the Fuji Pharma branded drugs, (branded drugs•branded generic drugs (transferred products) and biosimilars)

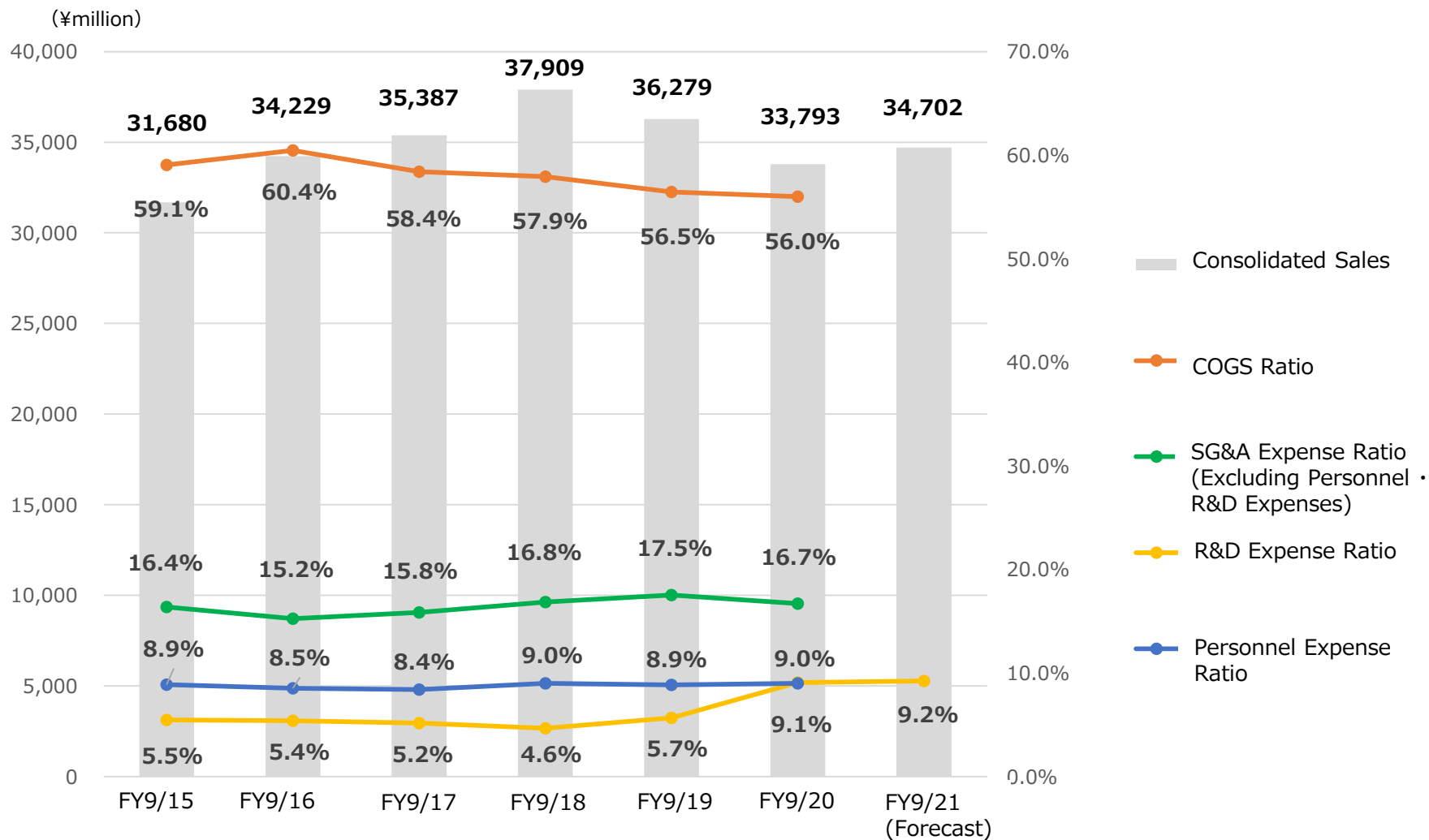
\* CMO Business (OLIC) is the amount after consolidation adjustmentTotal



# Sales Trend



# COGS, SG&A, and R&D expenditure ratios trends



Chapter

3



# Mid-term Business Plan Progress

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)

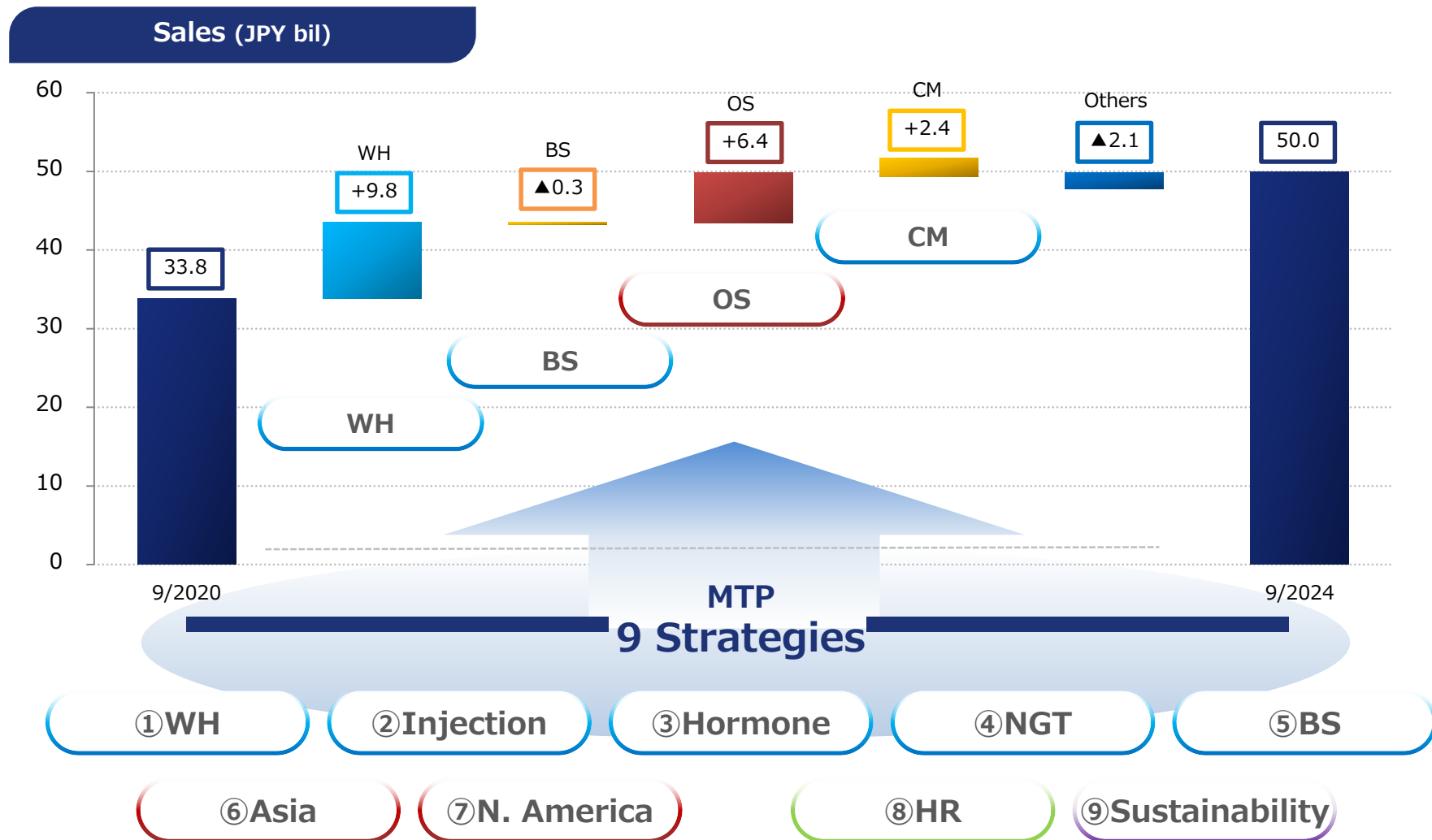
Operating Margin

**20%**+

To Achieve

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

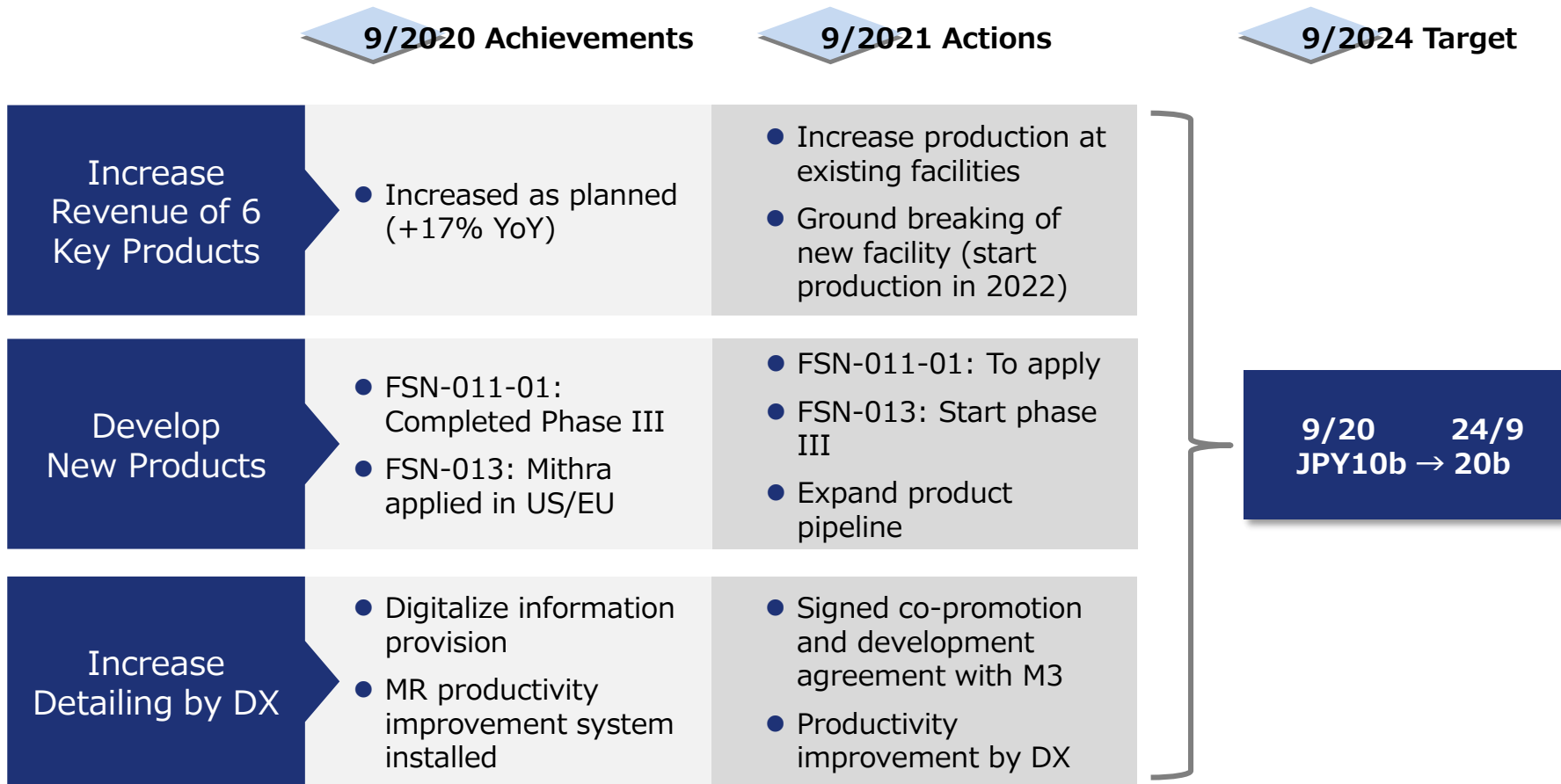
# Financial Target (9/2024)



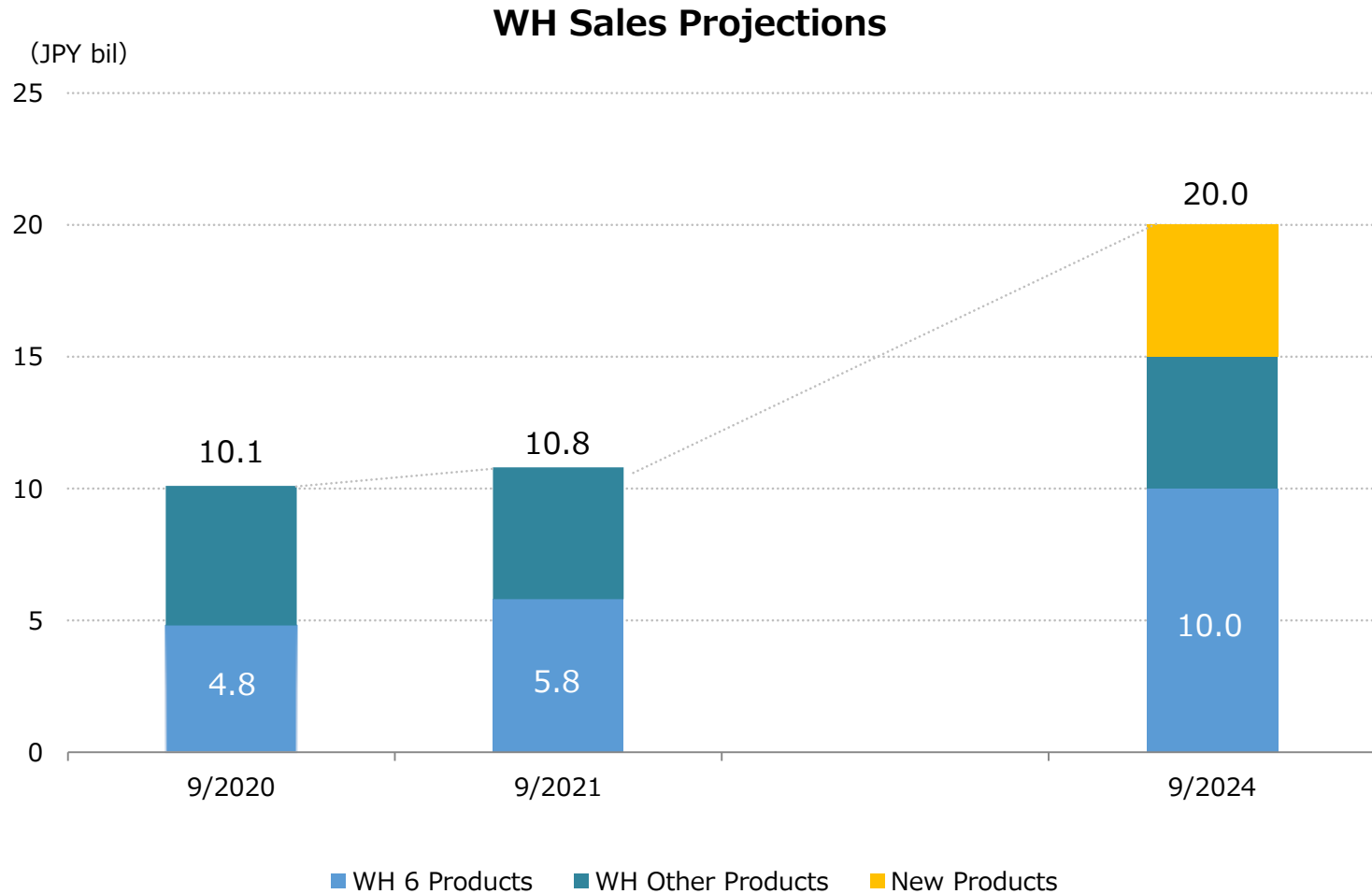


# 1. Women's Healthcare

## No.1 in WH Platform



# 1. Women's Healthcare



\* WH 6 Products: Levonorgestrel, Favoir, Labellefile, Utrogestan, Dienogest, and L'estrogest

# 1. Women's Healthcare

(JPY bil)

WH 6 Products	Indication	Status	9/2020	9/2021	9/2024
<b>LEVONORGESTRE L® (the same)*</b>	Emergency contraception	Market expanded by generic product with 80%+ volume share	0.6	0.8	1.5
<b>Favoir® (Ethinylestradiol / Desogestrel)*</b>	Contraception	Domestic oral contraceptive market No.1 volume by manufacturer	1.0	1.3	2.7
<b>Labellefil® (Ethinylestradiol / Desogestrel)*</b>			0.8	1.1	3.3
<b>UTROGESTAN® (Progesterone)*</b>	Luteal Supplementation in ART	No.2 volume share	0.7	0.8	0.8
<b>DIENOGEST® (the same)</b>	Endometriosis	Market expanded with the record high market share in March	1.3	1.2	1.2
<b>l'estrogel® (Estradiol)</b>	Menopausal disorder	CAGR 20%	0.2	0.3	0.5
<b>Total</b>			<b>4.8</b>	<b>5.8</b>	<b>10.0</b>

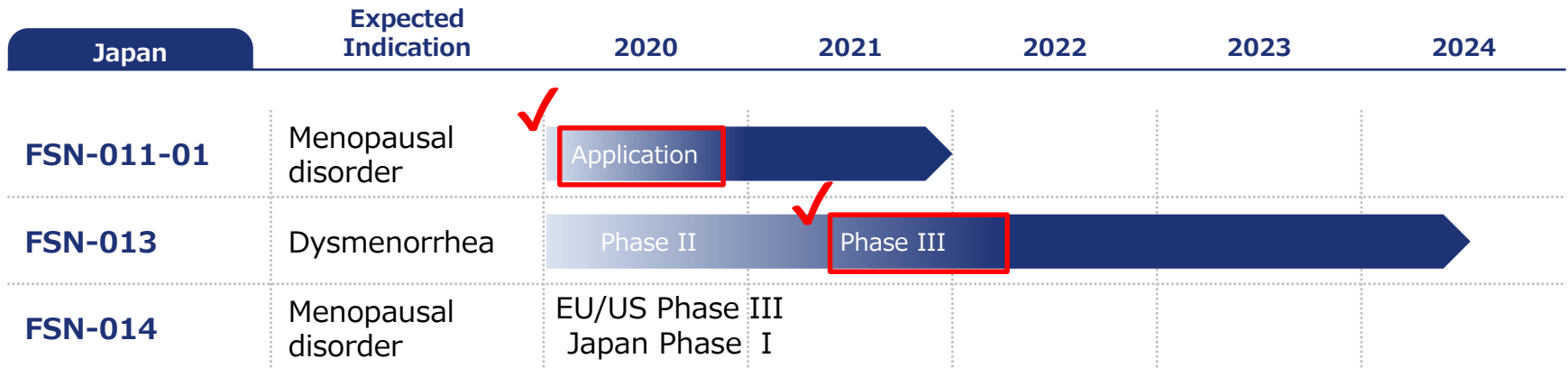
\* Drug price not listed

ART: Assisted Reproductive Therapy



# 1. Women's Healthcare

## Mostly progressed as planned



\* Time table is shown as Fuji's target

## FSN-011-01 : Progesterone

### Overview

- Oral product with Progesterone 100mg
- Utrogestan in combination with an estrogen is used to reduce the symptoms of the menopause
- Approved and launched in 80 countries (e.g. the US and EU)

### Japan

- No progesterone product for Hormone Replacement Therapy  
→ Plan to apply adjunctive use for Hormone Replacement Therapy

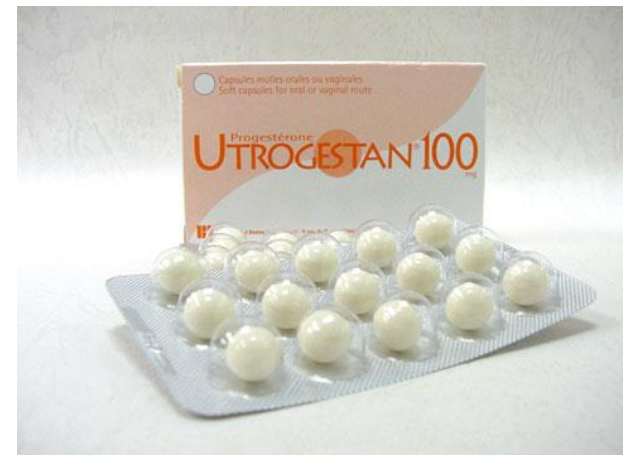
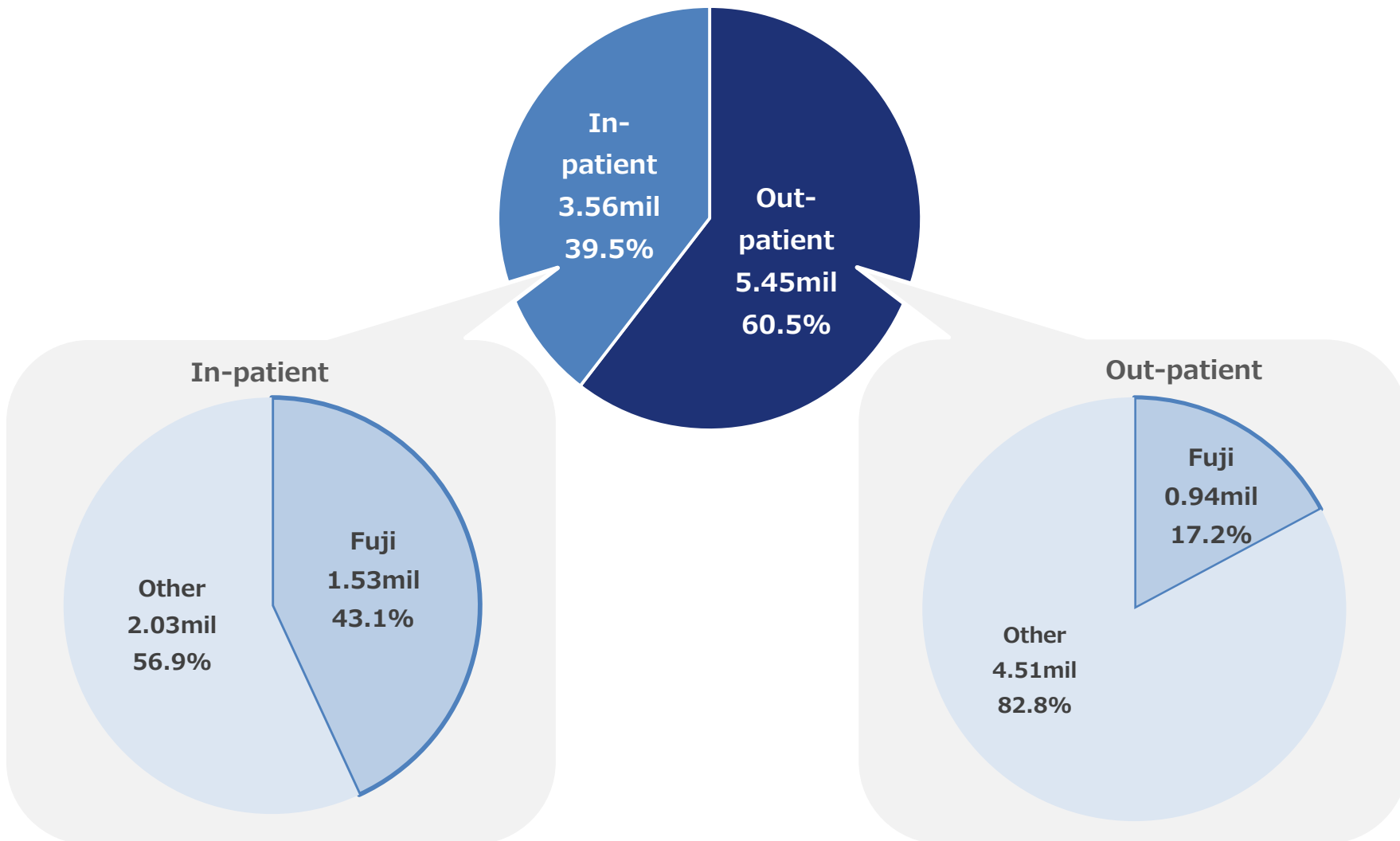


Photo: Utrogestan®  
marketed outside Japan)

## 2. Contrast Media

### Fuji's status in Japan CM market

Japan X-ray CM Market (volume)



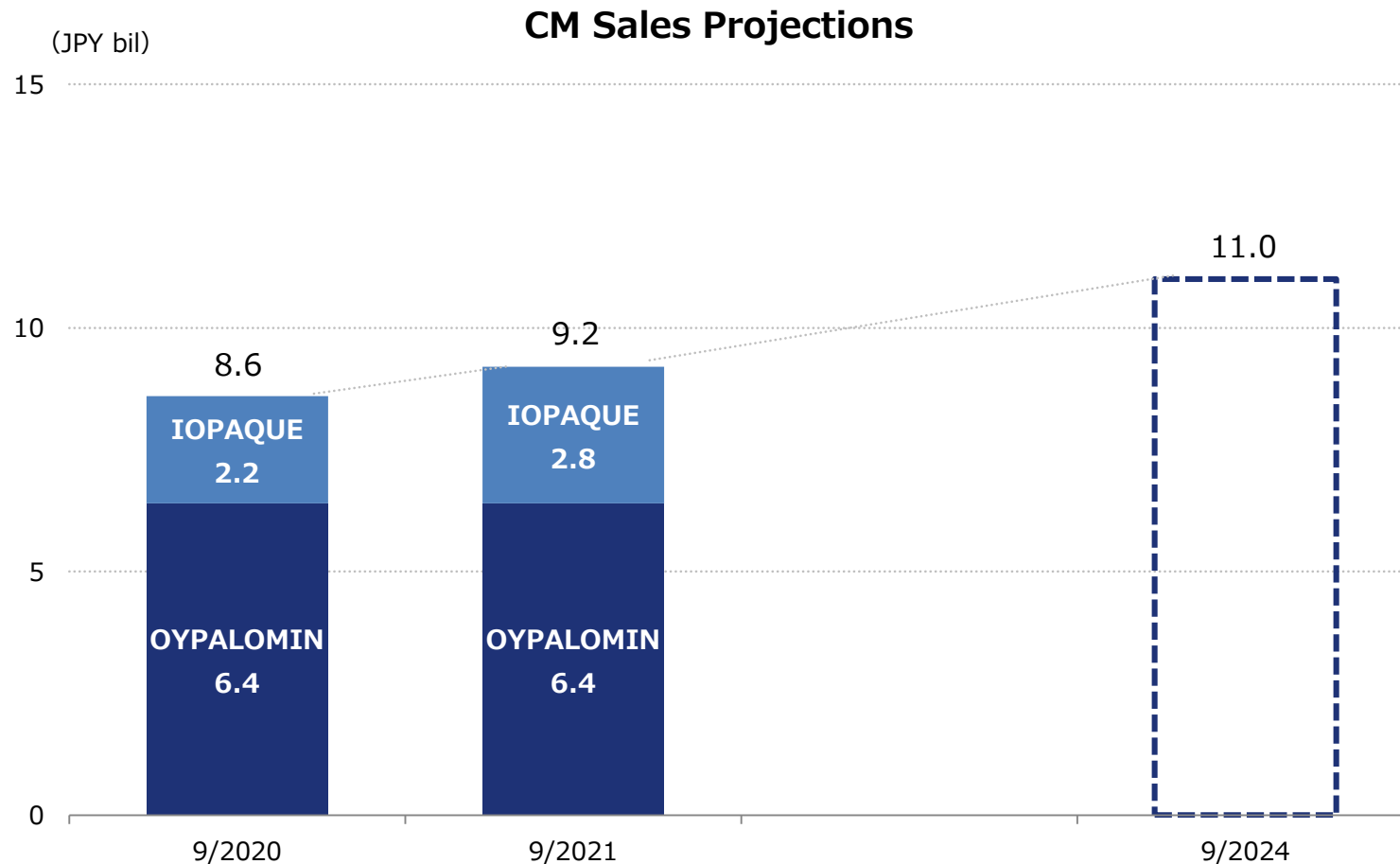
## 2. Contrast Media

### Key initiatives

	9/2020 Achievements	9/2021 Actions
Margin Improvement	<ul style="list-style-type: none"><li>Signed new API contracts resulting in cost reduction (app. JPY 200 mil / yr) *</li></ul>	<ul style="list-style-type: none"><li>Procurement based on new contracts</li></ul>
New Sales and Marketing Strategy	<ul style="list-style-type: none"><li>Establish and execute new S&amp;M strategy</li></ul>	<ul style="list-style-type: none"><li>Achieve goals of new S&amp;M strategy</li></ul>
Product Differentiation	<ul style="list-style-type: none"><li>Negotiating for differentiation</li></ul>	<ul style="list-style-type: none"><li>Achieve product differentiation</li></ul>
Acquisition & CMO	<ul style="list-style-type: none"><li>Initiate CMO discussion on specific product candidate</li></ul>	<ul style="list-style-type: none"><li>Sign CMO contract</li></ul>

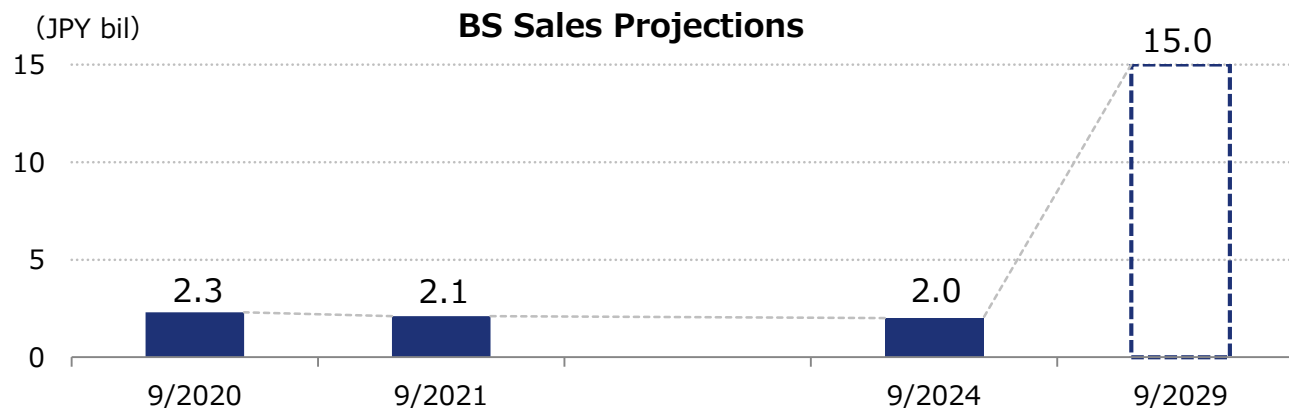
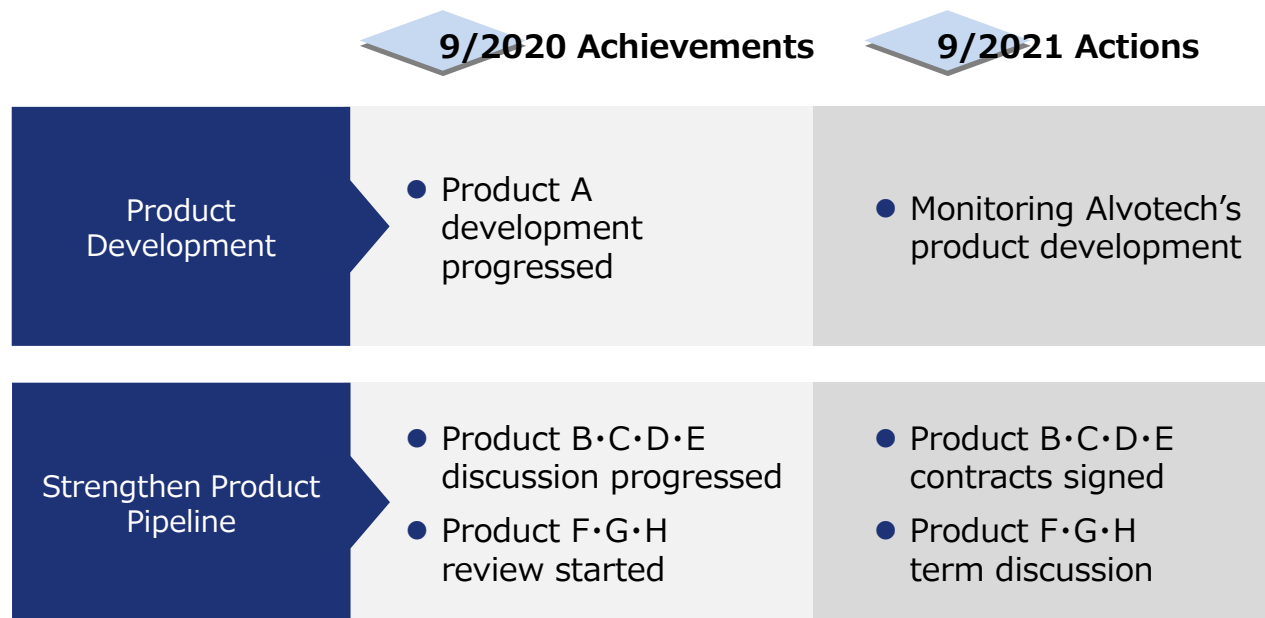
\* Full year contribution from latter half of MTP

## 2. Contrast Media



### 3. Biosimilar

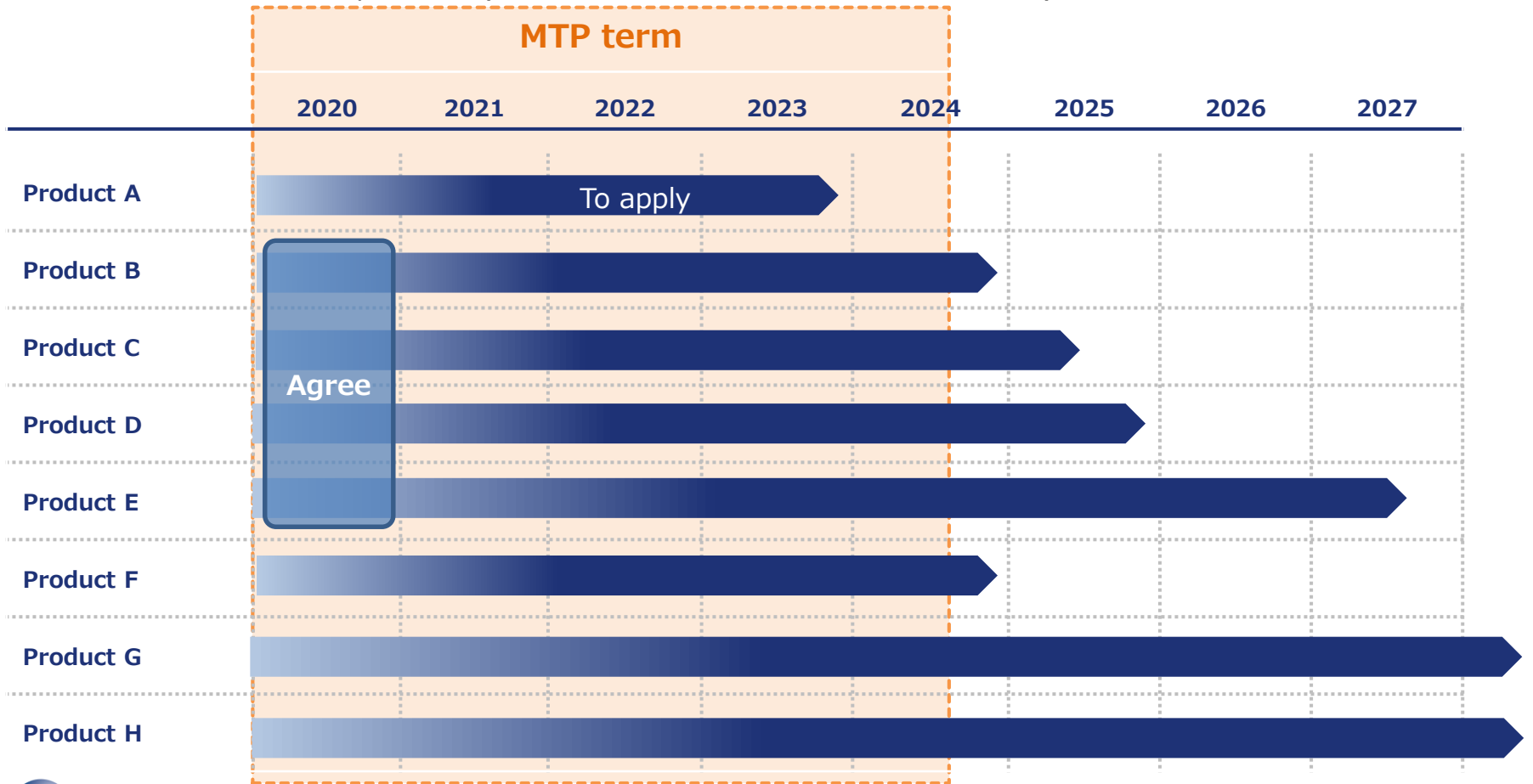
No.1 in Japan BS Market





### 3. Biosimilar

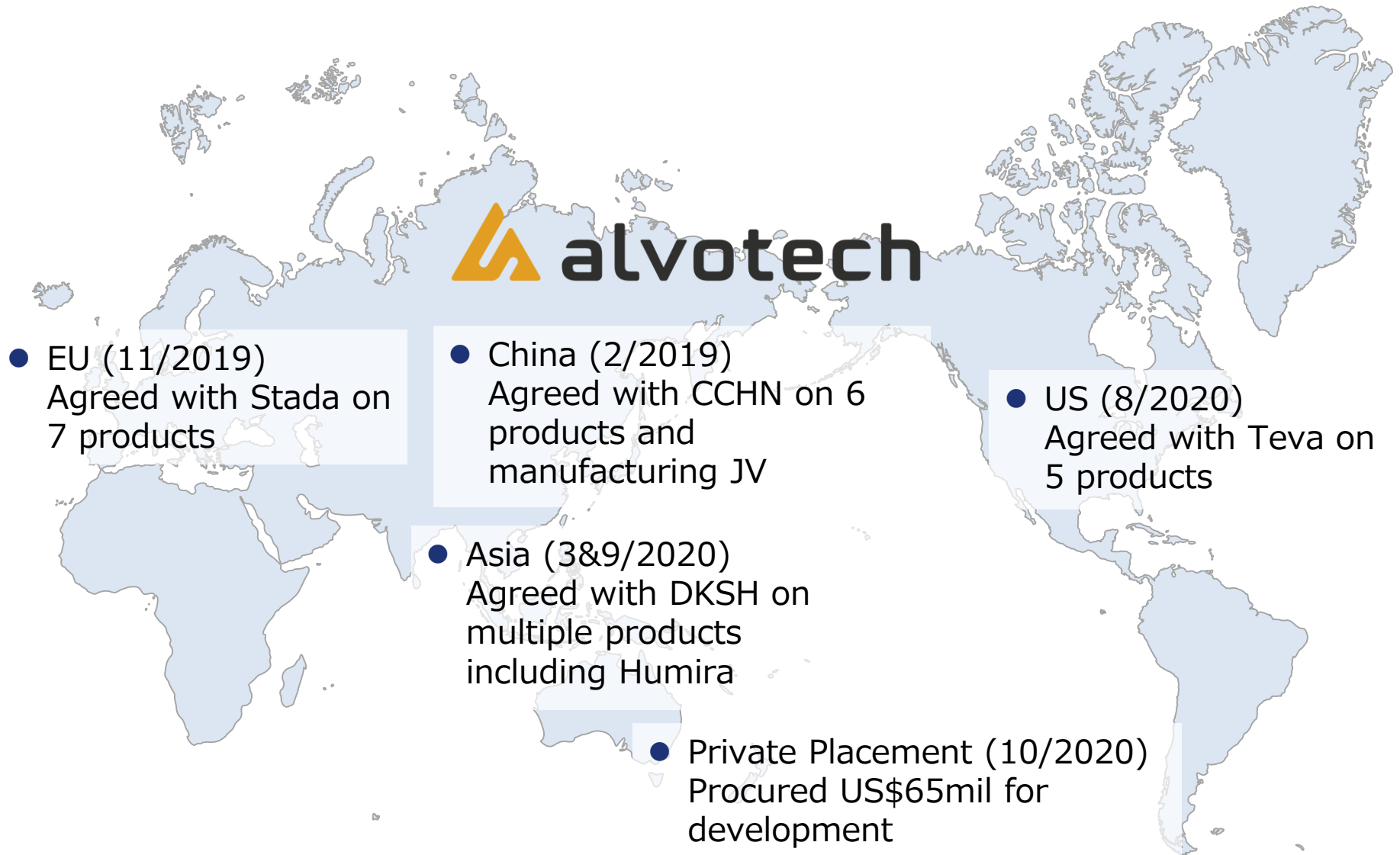
- November 2018, agreement with Alvotech hf. on an exclusive partnership for the commercialization of biosimilars in Japan. Discussions has begun on seven investigational drugs (total domestic market size JPY 250 billion) for autoimmune disorder, malicious tumoral diseases, etc.
- Agreed on one product and agreed on 4 products shortly (total domestic market size JPY 200 billion for 5 products)
- Started review on 3 products (total domestic market size JPY 150 billion)



\* Time table is shown as Fuji's target



### 3. Biosimilar

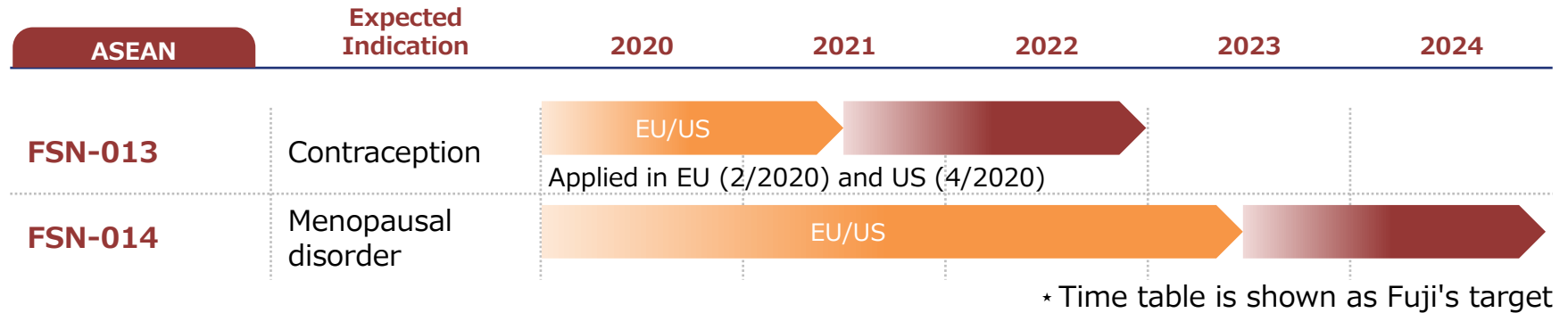


## 4. Overseas Asia / North America

	9/2020 Achievements	9/2021 Actions
<p>Asian CMO</p> <p>Sustainable CMO growth in OLIC</p>	<ul style="list-style-type: none"> <li>● One-time income offsets shrunk CMO business due to COVID-19</li> </ul>	<ul style="list-style-type: none"> <li>● Accumulate new CMO pipeline to offset lost CMO volume due to COVID-19</li> </ul>
<p>Asian Pharma</p> <p>S&amp;M launched in China and ASEAN</p>	<ul style="list-style-type: none"> <li>● OLIC (1) created BD and S&amp;M (2) completed HR allocation at RA, Clinical Development, PV function</li> <li>● Launch excellence project on FSN-013 initiated</li> <li>● Initiated portfolio expansion</li> </ul>	<ul style="list-style-type: none"> <li>● Set up S&amp;M team for FSN-013</li> <li>● Expand RA, Clinical Development, PV function</li> <li>● Complete FSN-013 launch project</li> <li>● Initiate FSN-014 launch project</li> <li>● Expand portfolio (product development &amp; acquisition)</li> </ul>
<p>North America</p> <p>505(b)(2) launched by Fuji Pharma USA</p>	<ul style="list-style-type: none"> <li>● Set up cross-divisional NA project</li> <li>● Global GMP project kicked off at Toyama plant</li> </ul>	<ul style="list-style-type: none"> <li>● Execute NA project</li> <li>● Execute global GMP project</li> </ul>

## 4. Overseas Asia / North America

### Mostly progressed as planned



### FSN-013 : Estetrol/Drospirenone

#### Overview

- Estetrol 15mg + Drospirenone 3mg
- Applied in Europe (EMA) and the US (FDA)
  - Applicable with data for EU/US approval→To apply in Thailand after approved in EU/US
  - Market in ASEAN for contraception
- After obtaining dysmenorrhea indication in Japan, Fuji plans the same in ASEAN

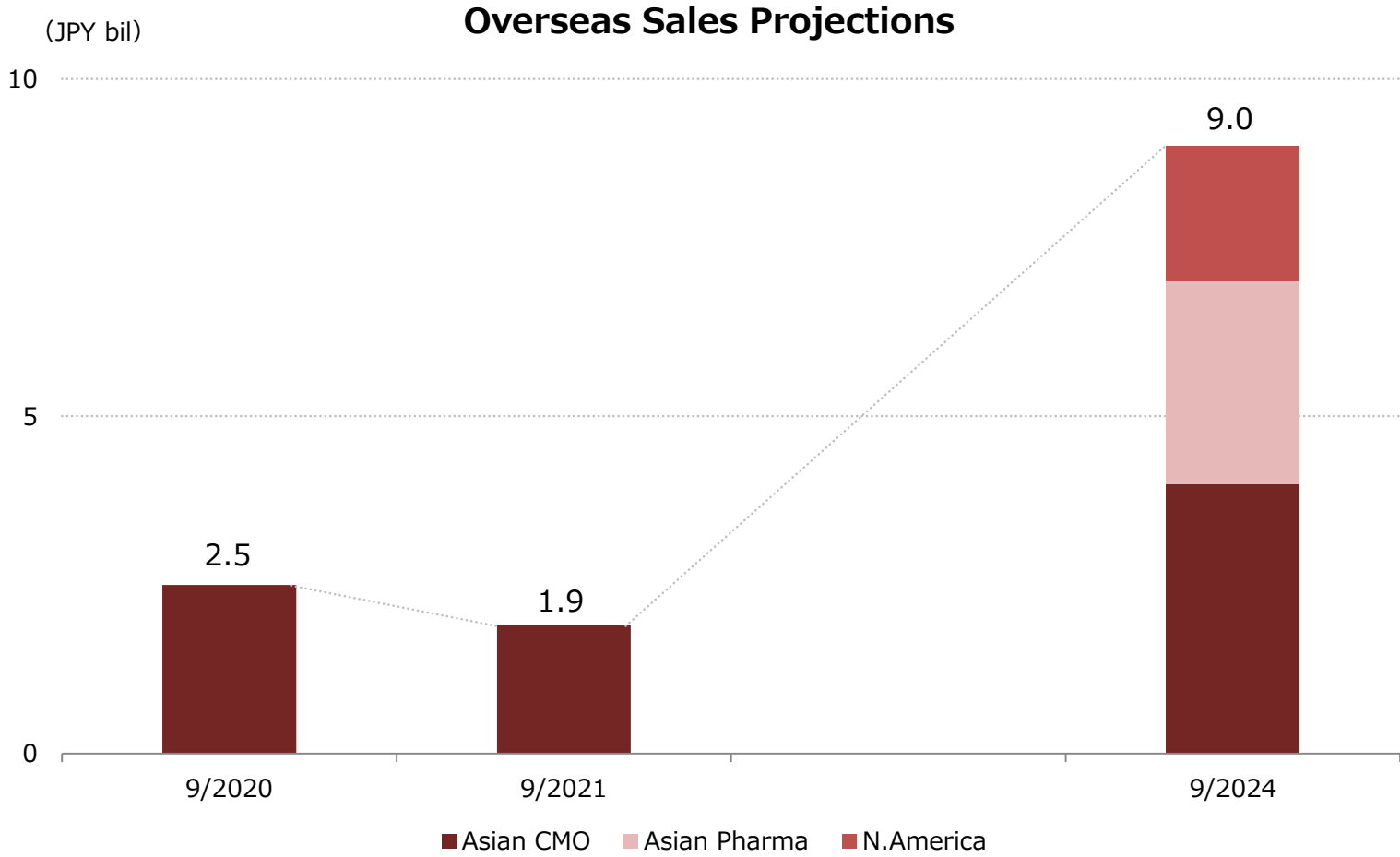
#### Characteristics

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





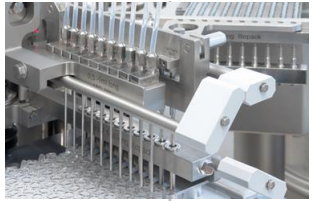
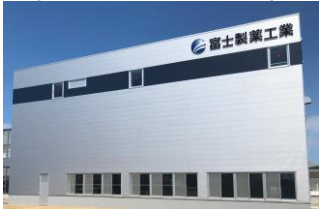
#### Market

- Thailand, the largest market in ASEAN, has 20 million female population at target age
- Pill penetration ratio is 20% in Thailand (3% in Japan)
- Precise information offering after launch will contribute to better QOL

# 4. Overseas Asia / North America



# Capex on Toyama Plant

	2019	2020	2021	2022	2023
<p><b>New tablet building</b></p> <ul style="list-style-type: none"> <li>● Hormone tablet manufacturing / expand testing capacity</li> <li>● High containment technology for hormone tablet manufacturing</li> <li>● Response to PIC/S GMP inspection standards</li> </ul>		<p>Ground Breaking (Dec.)</p> 	<p>-----&gt;</p> 	<p>PV (Jun.)</p>	
<p><b>Adding ampoule/vial line</b></p> <ul style="list-style-type: none"> <li>● Expand injection manufacturing capacity</li> <li>● High containment technology for high pharmaceutical active injection formulation</li> <li>● Response to PIC/S GMP inspection standards</li> </ul>		<p>Ground Breaking</p> 	<p>-----&gt; PV</p> 		
<p><b>Highly Active Multi-Syringe Line</b></p> <ul style="list-style-type: none"> <li>● Compatible with various syringe formulations and new products</li> <li>● Expanding CMO business and exports to Europe and US</li> <li>● Strengthen injection formulation technological Capabilities of Injection Formulations</li> </ul>				<p>Ground Breaking (Jun.)</p> 	<p>-----&gt; PV (Dec.)</p>
<p><b>Management building newly constructed</b></p> <ul style="list-style-type: none"> <li>● Improve operational efficiency on quality related functions and expand capacity</li> <li>● Strengthen data integrity support</li> </ul>		<p>Ground Breaking (Dec.)</p>	<p>-----&gt; Completion (Sep.)</p> 		

## Promotion of Female Employee activities

- Female manager ratio: Increased from 17% (FY09/20) to 21%. Aiming for 30% by FY9/24.
- Female Executive Officer: From FY09/21, one female executive officer was appointed.
- Female Directors: At the General Shareholders Meeting in December, we will propose to increase two Female Independent Directors.

## Donation of Used PCs by OLIC

As part of our social contribution activities, we donated used PCs no longer being used to educational institutions.



## Improve workstyles of women! Supporting the “Comfortable Menstruation Project”

The “Comfortable Menstruation Project” was launched by multiple companies' consortiums to improve workstyles of women, aiming to realize the society in which women can work comfortably by promoting correct understanding for women's body and menstruation and improve the literacy of the society as a whole. In addition to us, ASKA Pharmaceutical and Bayer is also participating in this project as sponsor companies.



## Healthy Management Initiatives

Caring employees is the foundation of Fuji. We have defined a "Basic Healthy Management Policy", and established a new "Healthy Management Promotion Committee" (chaired by Takayuki Iwai) in FY9/21, to fully implement initiatives towards healthy management.

## 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.

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