

Hisamitsu Pharmaceutical Co., Inc.

Q2 FY02/2024 Results

This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including changes in material circumstances.

Hisamitsu Pharmaceutical Co., Inc.

Oct. 6th, 2023



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1. Looking back on the Q2 FY02/2024(1)

Rx
Business

- Mar. • Notification of approval for manufacturing and marketing approval of APOHIDE® Lotion 20% in Japan (Primary palmar hyperhidrosis treatment drug, development code: HP-5070)
- May. • Notification of Launch of APOHIDE® Lotion 20% in Japan (Primary palmar hyperhidrosis treatment drug)
- Jun. • Launch of APOHIDE® Lotion 20% in Japan (Primary palmar hyperhidrosis treatment drug)
- Jun. • Launch of TV commercial for primary palmar hyperhidrosis in Japan
- Jun. • “MOHRUS® TAPE 20mg” “MOHRUS® TAPE L40mg” Announcement of our wining 47th Kinoshita Prize for “Packaging Technology”
- Aug. • “MOHRUS® TAPE 20mg” “MOHRUS® TAPE L40mg” Announcement of our wining Optimum Packaging Award in Japan Packaging Contest 2023

Sep.19th Notification of the commencement of the Phase II clinical study of HP-6050 in Japan (a transdermal formulation for sedation)

OTC
Business

- Mar. • Launch of “Feitas® Z Dicsas® ShippuF” 7 patches in Japan
- Apr. • Launch of “SALONPAS HOT®” 3 patches in Japan
- Apr. • Launch of Feitas® new TV Commercials in Japan



1. Looking back on the Q2 FY02/2024(2)

Others

- Mar. • The Minister of Economy, Trade and Industry Award at the 31st Global Environment Awards for the Kiyohara Industrial Park SmartEnergy Project
- Mar. • Became an official partner of TEAM JAPAN (topical analgesic anti-inflammatory drugs, muscle fatigue care products, and medical supporters)
- Mar. • JLPGA Step Up Tour "Salonpas Ladies Open" Newly Announced
- Mar. • Establishment of a new research base at Shonan iPark
- Mar. • Notice regarding Revision of Earnings Forecast
- May. • Salonpas[®] certified as the World's No. 1 OTC topical analgesic patch brand for the 7th consecutive year since 2016
- Hisamitsu Pharmaceutical certified as the holder of the world's largest share in the corresponding market category for the 6th consecutive year since 2017
- Jul. • Conclusion of a contract with SSP Co., Ltd. for the partial transfer of assets, related to S-Cup and Lacalut
- Jul. • Notice Regarding Company Split (Simplified Absorption-Type Split) with Hisamitsu Wellness Co., Ltd.
- Jul. • Notification Regarding Concerning the Decision of Matters Relating to Acquisition of Company's Own Shares
- Jul. • Notice regarding Issuance of Stock Compensation-Type Share Options (Stock Acquisition Rights)
- Jul. • Providing Relief Supplies in Response to The Torrential Rains from July 7, 2023
- Jul. • Finalized Stock compensation-type stock options (stock acquisition rights) issue details
- Aug. • Products to solve issues for living in Space and living on Earth "Odorleship[®]" Notification to be used in the International Space Station

Sep.20th Notification regarding Skin Care Cosmetics with Microneedle Technology



1. Looking back on the Q2 FY02/2024(3)

APOHIDE[®] Lotion 20%, for the primary palmar hyperhidrosis treatment drug



Active ingredient :Oxybutynin hydrochloride
Specification :Oxybutynin hydrochloride 200 mg / 1 g
Indications : Primary palmar hyperhidrosis
Dosage and administration
:Apply an appropriate amount to both palms once a day before bedtime

June 1, 2023 - Information Site for Solving Sweaty Hands Problems Launched "MINNANO TENOASE" website.

Palmar Hyperhidrosis Explained / Symptom Check Sheet /
Medical institutions where you can consult / Voices of people suffering from sweaty hands etc.

手汗のお悩み
解決情報サイト

みんなの手の汗サイト



<https://www.hisamitsu.co.jp/tenoase/>



1. Looking back on the Q2 FY02/2024(4)

Products to solve issues for living in Space and living on Earth "Odorleship[®]"
Notification to be used in the International Space Station



"Odorleship[®]" is a deodorant patch containing special activated carbon that absorbs odorous substances (ammonia, acetic acid, hydrogen sulfide, and methyl mercaptan) from food scraps, toilets, and body odor.

■ News Release

https://global.hisamitsu/pdf/news_release_E_230828.pdf





2. Promotion of Sustainability

Hisamitsu Pharmaceutical Group's Materiality (Priority Issues)

Promoting environmental management



Transdermal analgesics and anti-inflammatory drugs 「MOHRUS®.TAPE 20mg」 「MOHRUS®.TAPE L40mg」



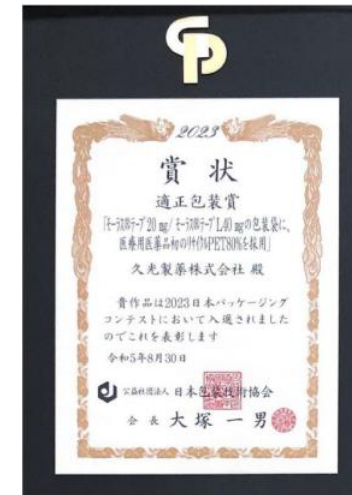
The 47th Kinoshita Prize for "Packaging Technology"



■ News Release

https://global.hisamitsu/pdf/news_release_E_230614.pdf

The Optimum Packaging Award in Japan Packaging Contest 2023



■ News Release

https://global.hisamitsu/pdf/news_release_E_230831.pdf

First to use 80% recycled PET in primary packaging for ethical drugs

(According to Hisamitsu investigation)



3. Progress for FY02/2024

Unit:¥ Million

Consolidated P&L	Q2 FY02/2024	FY02/2024	
	Actual	Forecast	Progress Rate
Net Sales	66,977	132,300	50.6%
Operating Profits	8,396	11,800	71.2%
Ordinary Profits	11,640	14,600	79.7%
Net Profits	8,417	10,600	79.4%

* No change in the consolidated earnings forecast



4. Consolidated P&L (1) - Comparison with the previous period performance -

Unit:¥ Million

	Actual performance for FY02/2023 (Q2)	Actual performance for FY02/2024 (Q2)	Change	Percentage Change
Net sales	59,619	66,977	+7,357	+12.3%
CoGS	25,156	28,330	+3,174	+12.6%
as a % of sales	42.2%	42.3%		
SG&A costs	29,549	30,250	+700	+2.4%
Sales promotion costs	5,396	5,761	+365	+6.8%
Advertising costs	5,573	6,823	+1,250	+22.4%
R&D costs	4,935	4,140	-795	-16.1%
Others	13,644	13,524	-119	-0.9%
Operating profit	4,913	8,396	+3,482	+70.9%
Ordinary profit	8,870	11,640	+2,770	+31.2%
Profit attributable to owners of parent	6,504	8,417	+1,912	+29.4%
Exchange rate(¥/USD)	124.52	136.54		



4. Consolidated P&L (2) - Summary of Profit and Loss -

Unit:¥ Million

	Actual performance for FY02/2023 (Q2)	Actual performance for FY02/2024 (Q2)	Change	Main factor
Net sales	59,619	66,977	+7,357	
CoGS	25,156	28,330	+3,174	
as a % of sales	42.2%	42.3%		
SG&A costs	29,549	30,250	+700	
Sales promotion costs	5,396	5,761	+365	
Advertising costs	5,573	6,823	+1,250	Reinforcement of advertising activities
R&D costs	4,935	4,140	-795	[FY02/2023]Expenses of Phase 3 clinical study of HP-5000.
Others	13,644	13,524	-119	
Operating profit	4,913	8,396	+3,482	
Non-operating balance	3,956	3,244	-712	Decrease in foreign exchange gain
Ordinary profit	8,870	11,640	+2,770	
Extraordinary balance	65	-2	-67	
Profit attributable to owners of parent	6,504	8,417	+1,912	



5. Sales Results by Region

Unit:¥ Million

		Actual performance for FY02/23 (Q2)	Actual performance for FY02/24 (Q2)	change	percentage Change
Net sales		59,619	66,977	+7,357	+12.3%
Rx Business	Japan	26,343	26,801	+457	+1.7%
	Overseas	7,592	8,239	+647	+8.5%
	USA	5,472	5,522	+49	+0.9%
	Other regions	2,119	2,716	+597	+28.2%
OTC Business	Japan	8,073	10,180	+2,107	+26.1%
	Overseas	16,086	20,180	+4,094	+25.5%
	USA	7,723	9,428	+1,705	+22.1%
	Other regions	8,362	10,752	+2,389	+28.6%
Others	Japan	1,524	1,574	+50	+3.3%
Overseas Sales Ratio		39.7%	42.4%		



6. Sales Results by Product (1) - Rx Business -

Unit:¥ Million

	Actual performance for FY02/22 Q1		
	Total	Japan	Overseas
Rx Business	35,040	26,801	8,239
Mohrus [®] Tape products	12,121	11,725	395
Zicthoru [®] Tapes	2,296	2,296	-
Haruropi [®] Tape	1,937	1,937	-
Fentos [®] Tapes	1,812	1,812	-
Mohrus [®] Pap products	1,809	1,809	-
Estrana [®] Tape	984	984	-
Allesaga [®] Tapes	200	200	-
Aphide [®] Lotion	629	629	-
Others	5,048	4,608	440
Vivelle-Dot [®] products	2,988	-	2,988
CombiPatch [®] products	3,349	795	2,553
Minivelle [®] products	1,264	-	1,264
Daytrana [®]	289	-	289
Secuado [®]	308	-	308

Change			Percentage Change		
Total	Japan	Overseas	Total	Japan	Overseas
+1,105	+457	+647	+3.3%	+1.7%	+8.5%
-2,000	-2,072	+72	-14.2%	-15.0%	+22.3%
+1,383	+1,383	-	+151.4%	+151.4%	-
+399	+399	-	+26.0%	+26.0%	-
-186	-186	-	-9.3%	-9.3%	-
-212	-212	-	-10.5%	-10.5%	-
-12	-12	-	-1.2%	-1.2%	-
+8	+8	-	+4.3%	+4.3%	-
+629	+629	-	-	-	-
+342	+405	-62	+7.3%	+9.6%	-12.4%
+577	-	+577	+23.9%	-	+23.9%
+377	+114	+262	+12.7%	+16.8%	+11.5%
+286	-	+286	+29.3%	-	+29.3%
-513	-	-513	-63.9%	-	-63.9%
+25	-	+25	+9.1%	-	+9.1%



6. Sales Results by Product (2) - OTC Business -

Unit: ¥ Million

	Actual performance for FY02/24 Q2			Change			Percentage Change		
	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas
OTC Business	30,361	10,180	20,180	+6,202	+2,107	+4,094	+25.7%	+26.1%	+25.5%
Salonpas® products	22,120	4,920	17,199	+4,882	+1,670	+3,212	+28.3%	+51.4%	+23.0%
Feitas® products	2,112	2,080	31	+335	+307	+28	+18.9%	+17.4%	+972.4%
Allegra® FX	628	628	-	+399	+399	-	+174.7%	+174.7%	-
Salonsip® products	1,380	809	570	-236	-247	+10	-14.6%	-23.4%	+1.9%
Bye Bye Fever® products	1,860	209	1,650	+360	-81	+441	+24.0%	-27.9%	+36.5%
Air® Salonpas® products	1,032	498	533	+209	+15	+193	+25.4%	+3.2%	+56.9%
Butenalock® products	740	736	4	+66	+62	+4	+9.9%	+9.2%	-
Others*	486	296	189	+184	-19	+204	+61.2%	-6.3%	-

*Includes amounts recorded as refund liabilities





Supplementary Data: Overseas OTC Business FY02/2024 New Products

New Release	Region	Category	Items
March - Aug 2023	North America	OTC Business	2
	Asia	OTC Business	2
		Others	2
	OTC Business		4
	Others		2
	Total		6

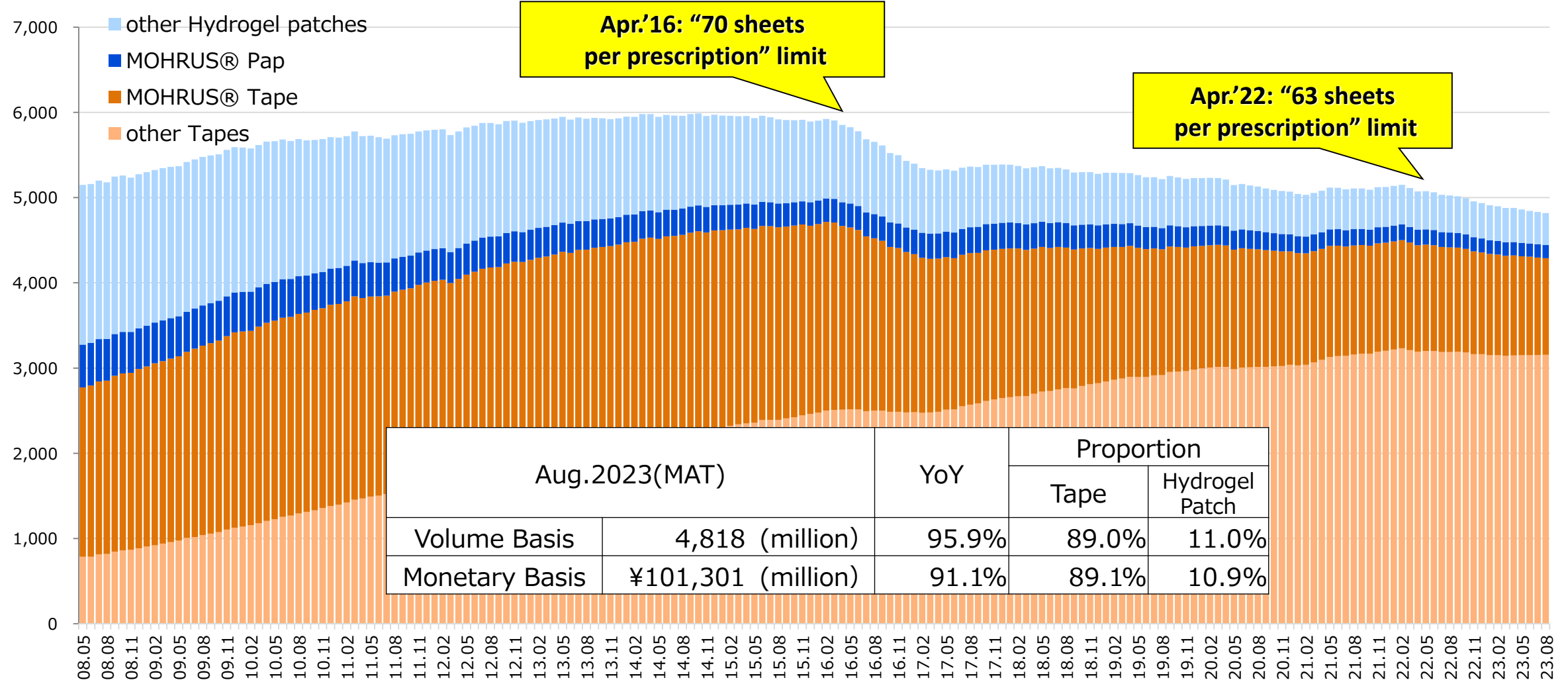




7. Trends of second-generation non-steroidal anti-inflammatory patch(Topical formulations) in Japan

Number of patches (Million)

Market trends on volume basis

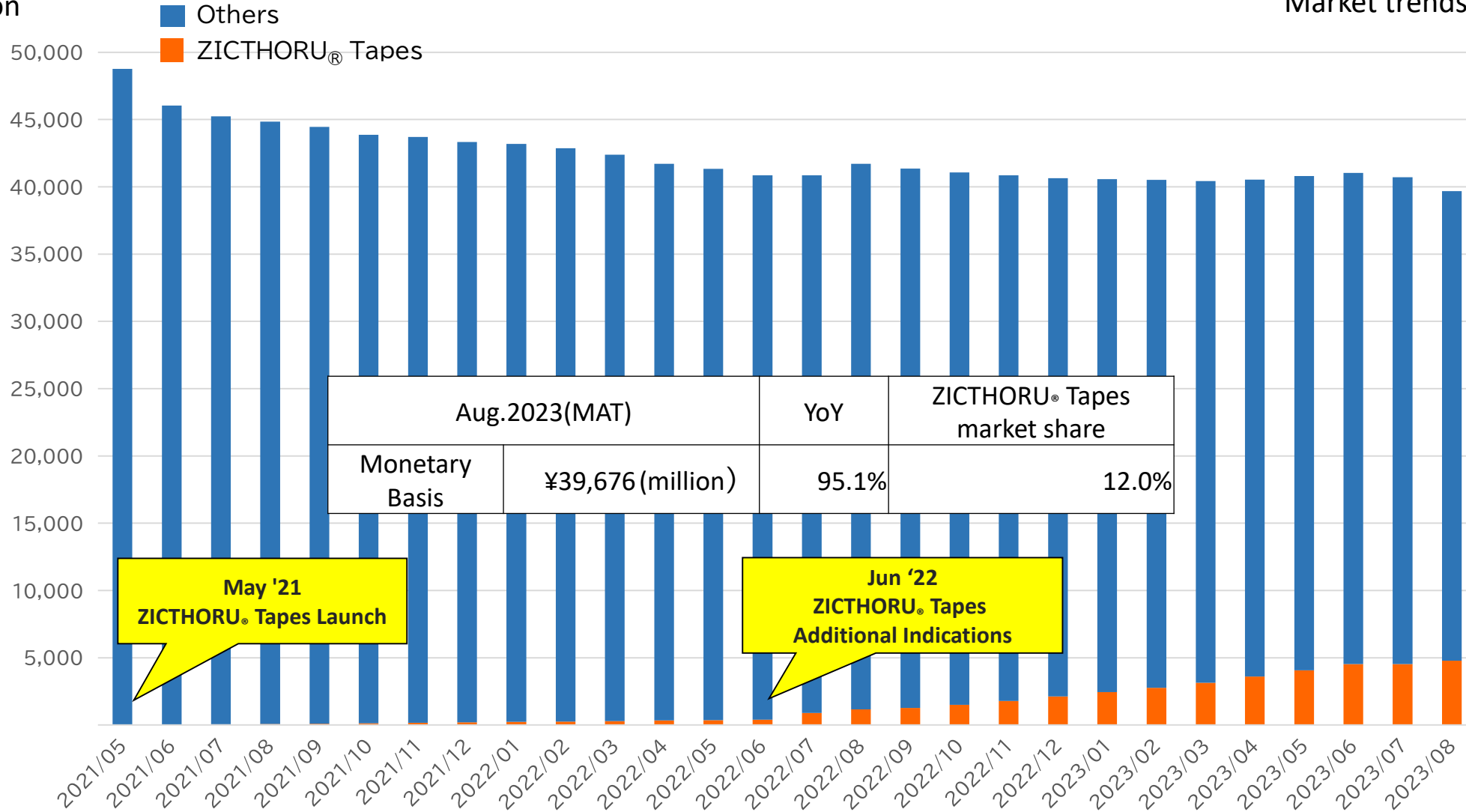




8. Trends of nonsteroidal anti-inflammatory drugs (Systemic formulations) Market Trend in Japan

Unit:¥ Million

Market trends on value basis



Aug.2023(MAT)		YoY	ZICTHORU® Tapes market share
Monetary Basis	¥39,676 (million)	95.1%	12.0%

May '21
ZICTHORU® Tapes Launch

Jun '22
ZICTHORU® Tapes Additional Indications



9. R&D Pipeline

	Stage	Theme	Target	Dosage Form	Characteristics	Next Step
1	Approved	OABLOK [®] EX PATCH (Neoxy [®] Tapes)	Asia	Patch	Overactive bladder	To be launched In FY24
2	Approved	ALLESAGA [®] PATCH (Allesaga [®] Tapes)	Asia	Patch	Allergic rhinitis	To be launched In FY24
3	Phase3	HP-5000	USA	Patch	Osteoarthritis of the knee	Under consideration
4	Phase2	HP-6050	JPN	Microneedle	Delirium, Psychomotor agitation and Irritability	Phase 2 study results in FY2024

※Yellow-highlighted parts are changes from the previous announcement made on Jul.13th,2023



Our commitments originate from each individual's determination to "start something good for ecology (eco)!"

Hisamitsu Pharmaceutical has designed the "HELLO! eco!" mark as a symbol of its environmental activities, and products that have met the ecology standards that our company has established will display the "HELLO! eco!" mark sequentially.

Hisamitsu.

