

We would like to express our deepest sympathies to all those affected by The 2024 Noto Peninsula Earthquake and the Noto Peninsula heavy rain of Sep. 2024, and we sincerely hope for the earliest possible recovery of the afflicted areas.

# Hisamitsu Pharmaceutical Co., Inc.

## Q2 FY02/2025 Results

This presentation material may contain information that constitutes forward-looking statements. These forecasts and opinions are based on internal and other materials that we believe to be reliable, but we cannot guarantee the actual outcomes and results. The realization of these forecasts is subject to various risks and uncertainties. Please be aware that actual results could differ materially from these forward-looking statements.

This English-language presentation was translated from the original Japanese-language version. In the event of any inconsistency between the statements in the two versions, the statements in the Japanese-language version shall prevail.

Hisamitsu Pharmaceutical Co., Inc.

Oct. 10th, 2024



# Agenda

- 1. Progress for FY02/2025**
- 2. Consolidated P&L**
- 3. Sales Results by Region**
- 4. Sales Results by Product**
- 5. R&D Pipeline**



# 1. Progress for FY02/2025

Unit: ¥ mn

Consolidated P&L	Q2 FY02/2025	FY02/2025 Total	
	Actual	Earnings forecast	Progress ratio
Net sales	75,456	152,000	49.6%
Operating profit	9,006	14,500	62.1%
Ordinary profit	10,788	18,900	57.1%
Profit attributable to owners of parent	9,098	15,800	57.6%

※There are no changes to the consolidated earnings forecast

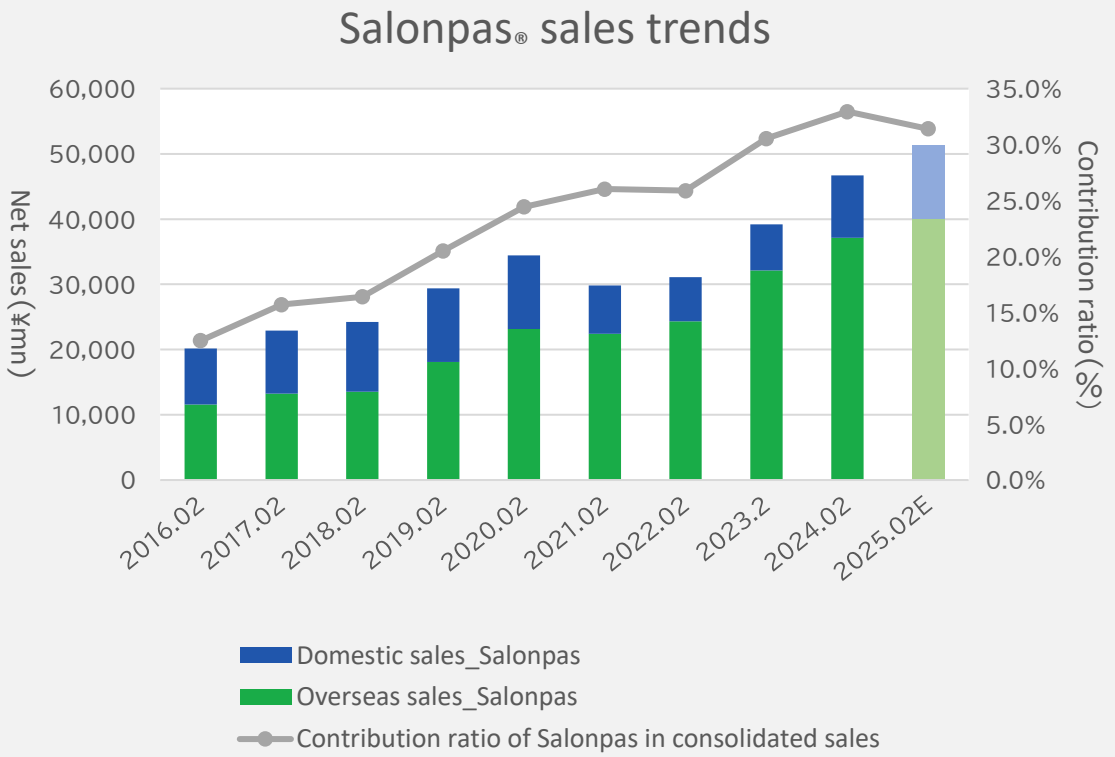


# 1. Progress for FY02/2025 | 90<sup>th</sup> Anniversary of Salonpas®

- Further growth of Salonpas® which celebrates 90th anniversary in 2024
- Salonpas® named the World's No. 1 OTC Topical Analgesic Patch Brand for 8th consecutive years\*
- Salonpas® is available in over 30 countries and regions and has been expanding as a global brand



## Accelerating sales growth



## Salonpas® as a global brand

### Overseas expansion

- Asia
- North America
- South America
- Europe
- **Africa**



**New launch in Nigeria**

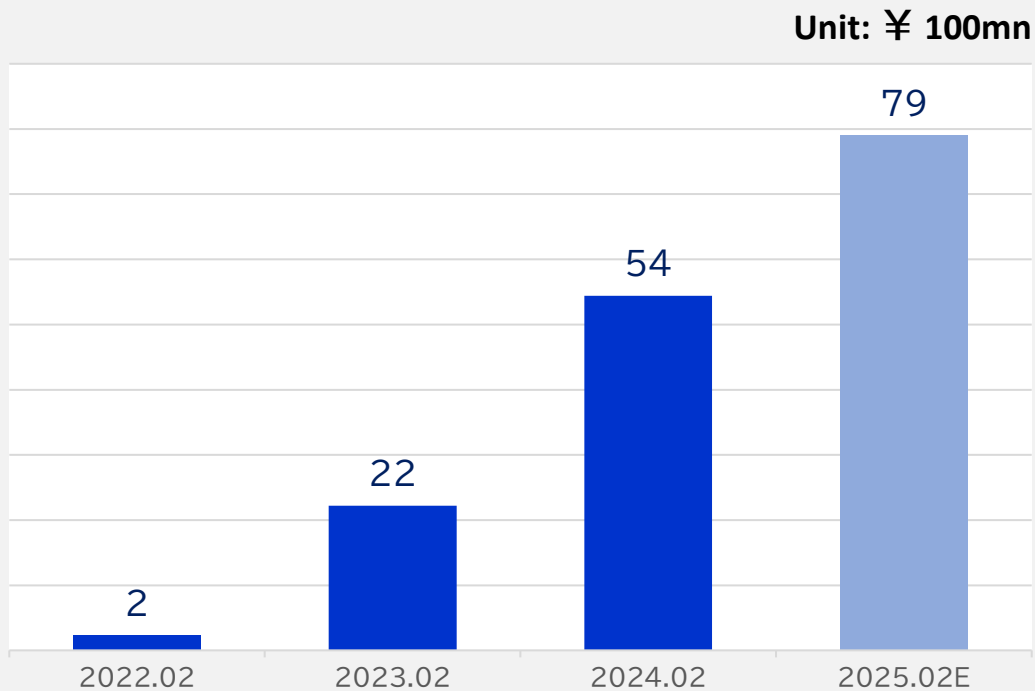
\*Based on a global market survey of topical analgesic and anti-inflammatory drugs conducted by Euromonitor International Ltd.



# 1. Progress for FY02/2025 | ZICTHORU® Tapes

- Aiming for sales of over 10 billion yen as soon as possible
- Expanding ZICTHORU® Tapes from Japan to US and other regions

## ZICTHORU® Tapes sales trends



## HP-3150US Phase3 clinical trial schedule to begin

Jan. 2025: Clinical pharmacology study begin

In FY2026: Phase3 clinical trial begin

\*Part of the data from the HP-5000 will be used

Global expansion

Clinical pharmacology study begin in US in 2025

Additional indication in 2022 (chronic pain)

Launched in Japan in 2021 (cancer pain)



# 1. Progress for FY02/2025 | Open innovation

## Further promotion of open innovation

Incorporating diverse perspectives and ideas to further strengthen R&D capabilities

### Features of SAGA Global Research Center

- Collaborative environment, ex. joint experiment spaces and collaboration offices
- Providing equipment specific to TDDS formulation development
- Speedy TDDS formulation development with consolidating functions

### Wish List of collaborative research themes

#### TDDS (Transdermal Drug Delivery System) Related Technology

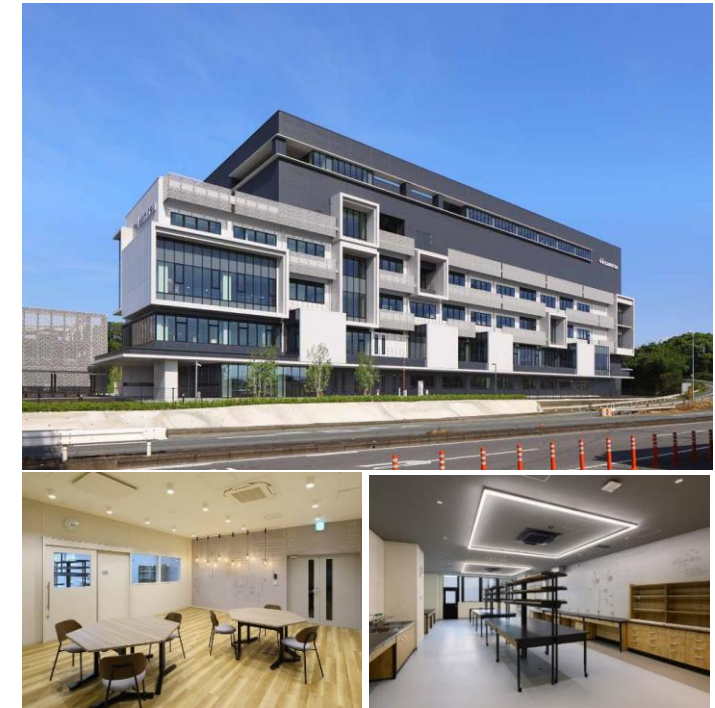
- Formulation Technology 1: Technologies or devices enhancing transdermal absorption of drugs
- Formulation Technology 2: Technologies reducing skin irritation

#### Dermatology Related Research

- Research Topic: Dermatology related joint research

#### Drugs for TDDS

- Drug Candidates: Existing drugs or novel drug candidates suitable for transdermal products



SAGA Global Research Center



Notification of Open Innovation in SAGA Global Research Center  
URL: <https://global.hisamitsu/operations/sgrc-oi.html>



# 1. Progress for FY02/2025

## Reduction of policy on strategic shareholdings

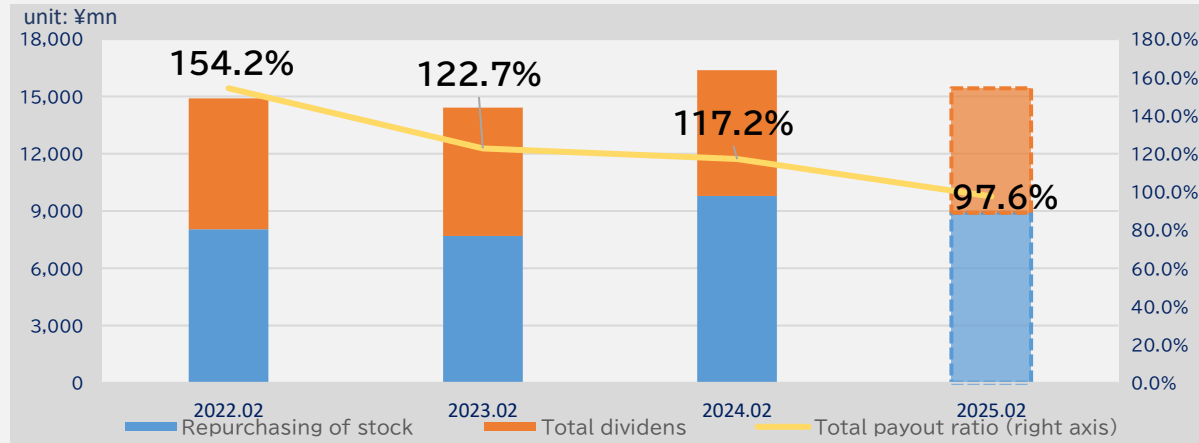


Aiming to improve shareholder capital efficiency and return profits to shareholders in the medium to long term, while considering the balance between the business environment and growth investments

### Shareholder Returns

- Dividend forecast
  - End of FY02/2025 90.0 yen
  - +5.0 yen YoY (Salonpas 90th anniversary commemorative dividend +4.0 yen, annual dividend +1.0 yen)
- Acquisition of treasury stock
  - May 2024 2.4 million stocks

### Total payout ratio



### Target and results for reducing strategic shareholdings

#### Target

**Reduction of policy strategic shareholdings to less than 20% of consolidated net assets**

**by the end of Feb. 2025**

Plans to use generated cash as capital for future growth investments

#### Results as of the end of Aug. 2024

**approx. 3.6 billion yen**

**(2 billion yen increase from the end of May. 2024)**



## Won SAGA2024 JAPAN GAMES

the first queen of the JAPAN GAMES women's volleyball tournament







# 2. Consolidated P&L

- Comparison with the previous period performance -

Unit:¥ mn

	Actual performance for FY02/2024 Q2	Actual performance for FY02/2025 Q2	Change	Percentage change
<b>Net sales</b>	<b>66,977</b>	<b>75,456</b>	<b>+8,478</b>	<b>+12.7%</b>
CoGS	28,330	31,047	+2,716	+9.6%
as a % of sales	42.3%	41.1%		
SG&A costs	30,250	35,402	+5,151	+17.0%
Sales promotion costs	5,761	7,026	+1,264	+22.0%
Advertising costs	6,823	8,005	+1,181	+17.3%
R&D spending	4,140	5,106	+966	+23.3%
Others	13,524	15,264	+1,739	+12.9%
<b>Operating profit</b>	<b>8,396</b>	<b>9,006</b>	<b>+610</b>	<b>+7.3%</b>
<b>Ordinary profit</b>	<b>11,640</b>	<b>10,788</b>	<b>-852</b>	<b>-7.3%</b>
<b>Profit attributable to owners of parent</b>	<b>8,417</b>	<b>9,098</b>	<b>+680</b>	<b>+8.1%</b>
Exchange rate (¥/USD)	136.54	154.06		

## Summary of FY02/2025 Q2

### Increased sales and profits for 4th consecutive periods

■ Net Sales (+8,478)

Increased overseas sales, mainly Salonpas.  
Increased sales of ZICTHORU. Tapes and new products

■ CoGS (+2,716), as a % of sales (-1.2 points)

Initiatives to reduce returns, impact of weak yen

■ SG&A costs (+5,151)

Sales promotion costs : XELSTRYM® promotional costs at Noven Pharmaceuticals (USA)

Advertising costs : Aggressive investment for brand value enhancement

R&D spending : Early phase of pipeline-related costs, depreciation costs of SAGA Global Research Center

Others : Logistics expenses, depreciation expenses, labor costs (wage increases)

■ Ordinary profit (-852)

[Current period] Exchange losses [Previous period] Exchange gains

※Regarding the ransomware incident announced by MARUTO SANGYO CO., LTD. on Sep. 30th, there is no impact on the FY02/2025 Q2 results

■ Net profit attributable to owners of parent (+680)

Gain on sale of investment securities





# 3. Sales Results by Region |

- Comparison with the previous period performance -



Unit:¥ mn

		Actual performance for FY02/24 Q2	Actual performance for FY02/25 Q2	Change	Percentage change
<b>Net sales</b>		<b>66,977</b>	<b>75,456</b>	<b>+8,478</b>	<b>+12.7%</b>
Rx Business	Japan	26,801	26,463	-338	-1.3%
	Overseas	8,239	10,323	+2,084	+25.3%
	USA	5,522	7,471	+1,948	+35.3%
	Other regions	2,716	2,852	+135	+5.0%
OTC Business	Japan	10,180	13,369	+3,189	+31.3%
	Overseas	20,180	23,667	+3,486	+17.3%
	USA	9,428	11,328	+1,899	+20.1%
	Other regions	10,752	12,338	+1,586	+14.8%
Others	Japan	1,574	1,631	+56	+3.6%
Overseas sales ratio		42.4%	45.0%		

## Sales Results by Region

- Net Sales (+8,478)
- <Rx business in Japan (-338)>
  - Increased sales of ZICTHORU<sup>®</sup> Tapes
  - Drug price revisions and generic drug impact
- < Rx business in Overseas (+2,084)>
  - Increased sales of female hormone products
- < OTC business in Japan (+3,189)>
  - Increased sales of Salonpas<sup>®</sup>
  - Increased sales of S-Cup<sup>®</sup> (acquired from SSP Co., Ltd. in Oct. 2023)
- < OTC business in Overseas (+3,486)>
  - Increased sales of Salonpas<sup>®</sup>

**Overseas Sales Ratio 45.0% (+2.6%)**



# 4. Sales Results by Product

- Rx business, comparison with the previous period performance -



Unit: ¥ mn

Rx Business	36,786	26,463	10,323	+1,746	-338	+2,084	+5.0%	-1.3%	+25.3%
MOHRUS <sup>®</sup> Tape products	11,022	10,623	399	-1,098	-1,102	+3	-9.1%	-9.4%	+0.9%
ZICTHORU <sup>®</sup> Tapes	3,897	3,897	-	+1,600	+1,600	-	+69.7%	+69.7%	-
HARUROPI <sup>®</sup> Tapes	2,005	2,005	-	+67	+67	-	+3.5%	+3.5%	-
MOHRUS <sup>®</sup> Pap products	1,611	1,611	-	-197	-197	-	-10.9%	-10.9%	-
FENTOS <sup>®</sup> Tapes	1,499	1,499	-	-313	-313	-	-17.3%	-17.3%	-
APOHIDE <sup>®</sup> Lotion	788	788	-	+158	+158	-	+25.1%	+25.1%	-
ESTRANA <sup>®</sup> Tapes	945	945	-	-39	-39	-	-4.0%	-4.0%	-
Others	4,759	4,550	208	-490	-257	-232	-9.3%	-5.4%	-52.8%
COMBIPATCH <sup>®</sup> products	3,752	542	3,209	+403	-253	+656	+12.0%	-31.9%	+25.7%
VIVELLE-DOT <sup>®</sup> products	3,819	-	3,819	+831	-	+831	+27.8%	-	+27.8%
MINIVELLE <sup>®</sup> products	1,458	-	1,458	+193	-	+193	+15.3%	-	+15.3%
XELSTRYM <sup>®</sup>	133	-	133	+133	-	+133	-	-	-
SECUADO <sup>®</sup>	507	-	507	+198	-	+198	+64.5%	-	+64.5%
DAYTRANA <sup>®</sup> products	583	-	583	+293	-	+293	+101.3%	-	+101.3%

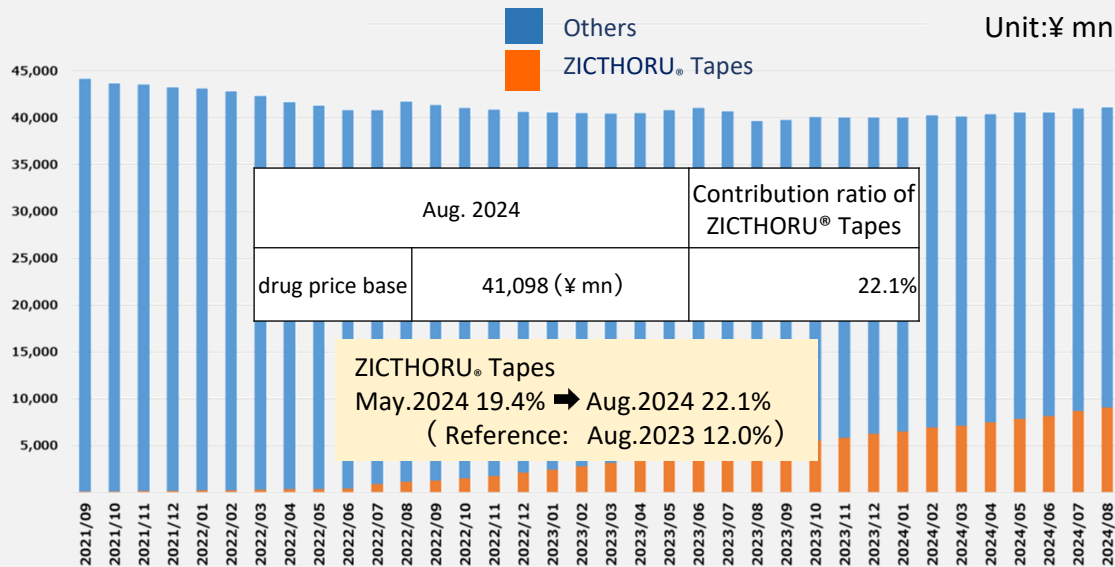
<Japan>			<Overseas>		
ZICTHORU <sup>®</sup> Tapes	↑	Expansion of awareness for systemic transdermal drug	COMBIPATCH <sup>®</sup> VIVELLE-DOT <sup>®</sup>	↑	Increasing demand for female hormone products
APOHIDE <sup>®</sup> Lotion	↑	Restrictions on the medication period lifted in Jun. 2024	XELSTRYM <sup>®</sup> SECUADO <sup>®</sup>	↑	Strengthening sales structure in the US
MOHRUS <sup>®</sup> Tapes	↓	Drug price revisions, impact of generic products	DAYTRANA <sup>®</sup>	↑	Increasing of sales of authorized generic



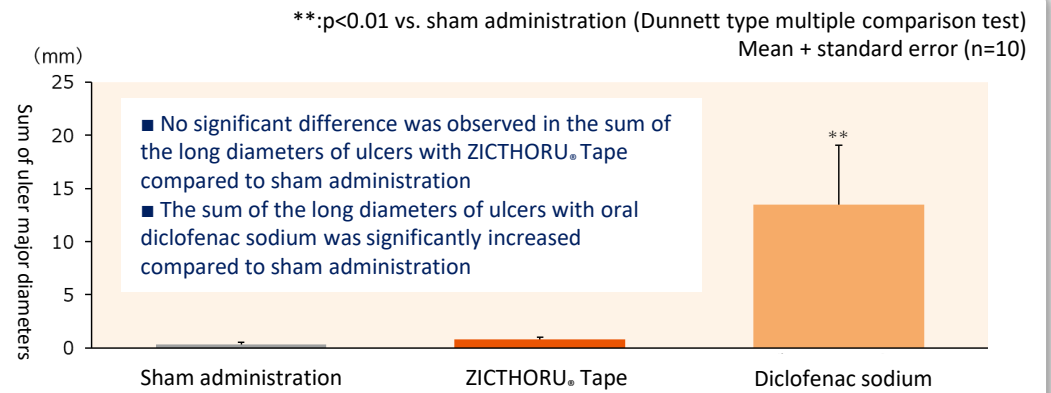
## Sales status

- Q2 FY2025 results: 3,897 million yen (YoY +69.7%)
- Market share: 22.1% as of Aug. 2024 (YoY +10.1%, moving annual total)
- Providing Information on the features of “transdermal systemic drugs” through academic conferences and lectures

## Market trends(Non-steroidal anti-inflammatory drugs, anti-rheumatic drugs※)



### Reference : Non-clinical trials: Gastric mucosal damage (rats)



**Expected to reduce gastrointestinal disorders**

Hisamitsu Pharmaceutical in-house data: Evaluation of gastric mucosal damage using rats

※ Based on our own calculations using IQVIA JPM(2021/9-2024/8) Copyright © 2024 IQVIA.Reprinted with permission



# APOHIDE® Lotion

The first treatment drug for primary palmar hyperhidrosis in Japan

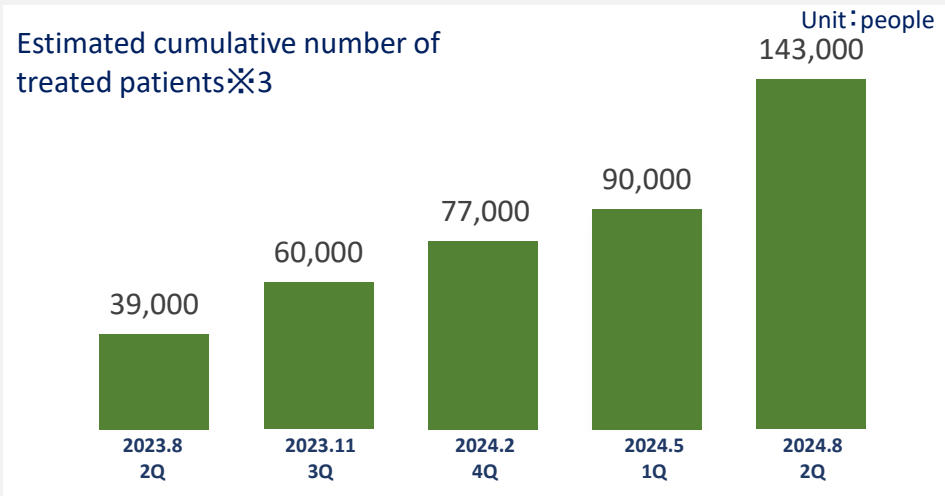


## Primary palmar hyperhidrosis

- It is a disease with excessive sweating on the palms of the hands and to be a major factor in reducing the quality of life and work efficiency in various school and social situations, as it significantly impairs social activities (e.g., handshaking), paperwork, and the operation of electronic devices ※1
- Estimated number of patients in Japan: approx. 4.93 million ※2

## Sales status

- Q2 FY 02/2025 sales : 788 million yen \*launched in Jun. 2023
- Cumulative administration: approx. 140,000 people by Aug. 2024



- Restrictions on the medication period lifted in Jun. 2024
- Providing information through academic conferences, lectures
- Disease awareness activities \*TVCM airing Jun., Sep. and Oct. 2024



URL : <https://youtu.be/x82kCuFI-H>



※1 Japanese Dermatological Association Guideline: Primary Focal Hyperhidrosis Treatment Guideline, 2023 Revision  
 ※2 Fujimoto T, et al.: J Dermatol 2013; 40(11): 886-90  
 ※3 Proprietary Data Compilation: Based on IQVIA Rx(2023/06-2024/08) Copyright © 2024 IQVIA. Reprinted with permission

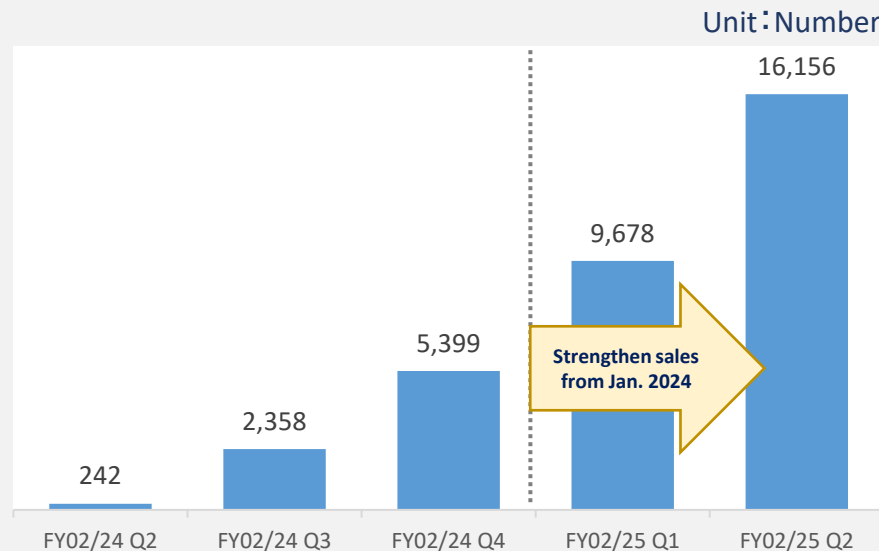


### Sales status \* US ADHD market size: approx. \$10 billion

- Q2 FY 02/2025 sales : 133 million yen \*launched in Jun. 2023
- Enhanced sales structure and increased prescription volume since Jan. 2024
- Optimization of Co-Pay Card Usage (Jul. 2024 ~)

### Prescription trends

#### <Cumulative number of prescriptions※>



#### <Advantage of patches>

- Under a physician’s guidance, the application time can be adjusted according to symptoms
- Administered easily to patients (both adults and children) who have difficulties with oral administration
- Family members and caregivers can visually confirm medication adherence

Providing information on product features through academic conferences, etc., to increase awareness

※Source: This information is an estimate derived from the use of information under license from the following IQVIA information service: NPA, Total Patient Tracker™ for the period from 2023 to 2024. IQVIA expressly reserves all rights, including rights of copying, distribution and republication.



# 4. Sales Results by Product

- OTC business, comparison with the previous period performance -



Unit:¥ mn

	Actual performance for FY02/25 Q2			Change			Percentage Change		
	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas
OTC Business	<b>37,037</b>	<b>13,369</b>	<b>23,667</b>	<b>+6,675</b>	<b>+3,189</b>	<b>+3,486</b>	<b>+22.0%</b>	<b>+31.3%</b>	<b>+17.3%</b>
Salonpas <sub>®</sub> products	25,799	5,282	20,517	+3,678	+361	+3,317	+16.6%	+7.3%	+19.3%
Feitas <sub>®</sub> products	2,187	2,105	81	+75	+24	+50	+3.6%	+1.2%	+162.9%
Bye Freitas FEVER <sub>®</sub> products	1,935	44	1,890	+74	-164	+239	+4.0%	-78.6%	+14.5%
S-Cup <sub>®</sub> products	1,921	1,921	-	+1,921	+1,921	-	-	-	-
Allegra <sub>®</sub> FX	591	591	-	-36	-36	-	-5.8%	-5.8%	-
Salonsip <sub>®</sub> products	1,466	814	651	+85	+4	+81	+6.2%	+0.6%	+14.2%
Air <sub>®</sub> Salonpas <sub>®</sub> products	901	477	423	-131	-21	-110	-12.7%	-4.2%	-20.6%
Butenalock <sub>®</sub> products	709	708	0	-31	-27	-3	-4.2%	-3.7%	-86.3%
Others	1,525	1,424	101	+1,038	+1,127	-88	+213.4%	+379.7%	-46.6%

\*Includes amounts recorded as refund liabilities

<Japan>			<Overseas>		
Salonpas <sub>®</sub>	↑	Optimization of distribution inventory <sup>※</sup> Increasing in store sales YoY	Salonpas <sub>®</sub>	↑	Aggressive promotional activities
S-Cup <sub>®</sub>	↑	Acquired from SSP CO., LTD, in Oct. 2023			

※Promote reduction of returns with retailers and wholesalers to reduce environmental impact and costs.



# Overseas OTC Business FY02/2025 New Products

New launch	Category	Region	Items	
Mar.2024 ~Aug.2024	OTC Business	Asia	1	
		Africa	3	
	Others*	Asia	1	
	OTC Business			4
	Others*			1
	Total			5

\*Others: Medical devices, quasi-drugs, etc.







# 5.R&D Pipeline

	Stage	Theme	Target area	Dosage form	Target disease	Next step
1	Approved	HARUROPI <sup>®</sup> PATCH	Asia	Patch	Parkinson's disease	To be launched in FY25
2	<del>Phase3</del>	<del>HP-5000</del>	<del>USA</del>	<del>Patch</del>	<del>Osteoarthritis of the knee</del>	<del>Under consideration</del>
	Preparing for phase3	HP-3150US	USA	Patch	Chronic low back pain	Phase3 start in FY2026
3	Phase2	HP-6050	JPN	Microneedle	Delirium, Psychomotor agitation and Irritability	Phase2b start in FY2025

※Yellow-highlighted parts are changes from the previous announcement made on Jul.11<sup>th</sup>,2024



**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.**