

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

**Consolidated Financial Results for FY2023**  
**(from April 1, 2023 to March 31, 2024)**  
**<Based on Japanese GAAP>**

May 10, 2024

Company name: ASKA Pharmaceutical Holdings Co., Ltd.  
Stock exchange listing: Tokyo  
Stock code: 4886 URL: <https://www.aska-pharma-hd.co.jp/english/>  
Representative : President and Representative Director Takashi Yamaguchi  
Inquiries : Corporate Planning Department Director Hideaki Kobayashi TEL +81-3-5484-8366  
Scheduled date of ordinary general meeting of shareholders : June 25, 2024  
Scheduled date to file Quarterly Report : June 25, 2024  
Scheduled date to commence dividend payments : June 26, 2024  
Supplementary material for financial results : Yes  
Financial results meeting : Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for FY2023 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating result

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2024	62,843	3.9	6,500	27.3	6,522	24.6	7,545	78.0
Year ended March 31, 2023	60,461	6.8	5,108	6.5	5,232	7.2	4,238	(1.2)

Note: Comprehensive income  
Year ended March 31, 2024 (Millions of yen) 8,127 (35.8%)  
Year ended March 31, 2023 (Millions of yen) 5,983 (20.1%)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	266.51	—	13.0	7.3	10.3
Year ended March 31, 2023	150.08	—	8.2	6.1	8.4

Reference: Equity Gains Year ended March 31, 2024 (Millions of yen) (41)  
(Losses) of Affiliated Companies Year ended March 31, 2023 (Millions of yen) (19)

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	90,745	61,930	68.2	2,186.10
As of March 31, 2023	87,138	54,533	62.6	1,928.14

Reference: Tangible net worth  
Year ended March 31, 2024 (Millions of yen) 61,930  
Year ended March 31, 2023 (Millions of yen) 54,533

(3) Consolidated cash

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	1,486	1,706	(3,943)	16,738
Year ended March 31, 2023	3,351	(1,126)	(1,820)	17,505

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	—	8.00	—	8.00	16.00	452	10.7	0.9
Year ended March 31, 2024	—	20.00	—	20.00	40.00	1,133	15.0	1.9
Year ending March 31, 2025 (Forecast)	—	25.00	—	25.00	50.00		28.3	

Notes: 1. Revision from the dividend forecast currently announced: No

## 3. Forecast of consolidated financial results for FY2024 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	63,000	0.2	6,700	3.1	6,700	2.7	5,000	(33.7)	176.50

## Notes:

- (1) Changes in significant subsidiaries during the Year ended March 31, 2024  
(changes in specified subsidiaries resulting from the change in the extent of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements  
Changes in accounting policies due to revisions to accounting standards and other regulations: No  
Changes in accounting policies due to other reasons: No  
Changes in accounting estimates: No  
Restatement of prior period financial statements: No  
(Note) Please refer to "3. Consolidated Financial Statements, (5) Notes to the consolidated financial statements".

## (3) Number of issued shares (common shares)

## 1) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	30,563,199	As of March 31, 2023	30,563,199
----------------------	------------	----------------------	------------

## 2) Number of treasury shares at the end of the period

As of March 31, 2024	2,233,957	As of March 31, 2023	2,280,061
----------------------	-----------	----------------------	-----------

## 3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Year ended March 31, 2024	28,313,370	Year ended March 31, 2023	28,239,747
---------------------------	------------	---------------------------	------------

\* This report of financial results is not subject to auditing by a certified public accountant or audit firm.

## \* Explanation concerning appropriate use of projections of business results and other notes

(Note on forward-looking statements etc.)

- Projections of business results and other forward-looking statements contained in this document are based on assumptions judged to be reasonable and information currently available to the Company, and the Company does not in any way guarantee the achievement of the projections. Actual business results may materially differ from the forecasted figures due to various factors in the future. Please refer to "1. Operating Results, (4) Future Outlook" on page 4 for the assumptions used in forecasting business results and precautions regarding the use of business results forecasts.
- The Company plans to hold a briefing on financial results for institutional investors and securities analysts on May 22, 2024. The materials used in this briefing will be posted on the Company's website.

## CONTENTS

1. Overview of Operating Results and Financial Position.....	2
(1) Overview of Operating Results for the Current Fiscal Year.....	2
(2) Overview of Financial Position for the Current Fiscal Year.....	3
(3) Overview of Cash Flow Position for the Current Fiscal Year.....	3
(4) Future Outlook.....	4
(5) Basic Policy on Distribution of Earnings and Dividends in This and the Following Period.....	4
2. Basic Thinking on Selection of Accounting Standards.....	5
3. Consolidated Financial Statements .....	6
(1) Consolidated Balance Sheets.....	6
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income.....	8
Consolidated Statements of Income.....	8
Consolidated Statements of Comprehensive Income.....	9
(3) Consolidated Statement of Changes in Equity.....	10
(4) Consolidated Statements of Cash Flows.....	12
(5) Notes to the Consolidated Financial Statements.....	13
(Notes concerning the going-concern assumption) .....	13
(Changes to accounting policies) .....	13
(Changes to accounting estimates) .....	13
(Segment information etc.) .....	13
(Notes to amounts per share) .....	16
(Significant subsequent events) .....	16
4. Supplemental Material.....	17
(1) Sales of Main Products.....	17
(2) Product Pipeline .....	18
(3) (Consolidated) Capital Expenditures, Depreciation, Research and development expenses.....	19

## 1. Overview of Operating Results and Financial Position

### (1) Overview of Operating Results for the Current Fiscal Year

During the consolidated fiscal year under review, the Japanese economy showed signs of recovery, evidenced by the normalization of social activities. However, the business environment remained uncertain due to an increasingly tense international situation, as well as inflation, financial instability caused by higher policy interest rates in Europe and the United States, and significant fluctuations in the exchange market. In the pharmaceutical business, the core of the Group, despite the challenging business environment which was impacted by the periodical NHI drug price revisions and other factors, the Group's business continued to be as strong as it was in the previous fiscal year due to the growth of new products and other factors.

Operating results during the consolidated fiscal year are described below.

	FY2022 Consolidated Cumulative Period (Millions of yen)	FY2023 Consolidated Cumulative Period (Millions of yen)	Actual (Millions of yen)	Growth (%)
Net sales	60,461	62,843	2,381	3.9%
Operating profit	5,108	6,500	1,392	27.3%
Ordinary profit	5,232	6,522	1,289	24.6%
Profit attributable to owners of parent	4,238	7,545	3,307	78.0%

The Group's net sales in the consolidated fiscal year under review were 62,843 million yen, up 2,381 million yen year on year (YoY). This was due mainly to growth in the pharmaceutical business driven by the growth in obstetrics and gynecological products. Cost of sales was 32,178 million yen, and cost of sales ratio was down 1.5% YoY, resulting in an increase of 2,079 million yen in gross profit YoY to 30,664 million yen. At the same time, selling, general and administrative expenses rose by 687 million yen YoY to 24,164 million yen. As a result, operating profit was up 1,392 million yen YoY to 6,500 million yen, for a ratio of operating profit to net sales of 10.3%. Ordinary profit was 6,522 million yen, after recording 414 million yen in non-operating income and 392 million yen in non-operating expenses. While the Company recorded 3,340 million yen during the period in extraordinary income associated with sale of investment securities, profit attributable to owners of parent was up 3,307 million yen YoY to 7,545 million yen.

In addition, ASKA Pharmaceutical Co., Ltd. a subsidiary of the Company, has executed a capital increase agreement to issue new shares of its equity method affiliate, Ha Tay Pharmaceutical Joint Stock Company, with the aim of strengthening the partnership between the two companies.

Business results by segment are described below.

#### (i) Pharmaceutical business

The pharmaceutical business, which focuses on the three fields: internal medicine, obstetrics and gynecology, and urology, showed favorable trends overall, despite the impact of the periodical NHI drug price revisions. A look at results by product shows that the results in the field of obstetrics and gynecology were driven by the large-scale growth in the uterine fibroid and endometriosis agent RELUMINA (relugolix), to 9,906 million yen (up 12.1% YoY), and the dysmenorrhea agent DroEthi (drospirenone/ ethinylestradiol), which went on sale in June 2022, largely drove performance with sales of 6,125 million yen (up 66.3% YoY). Sales also grew in the internal medicine area, as sales of the thyroid hormone agent THYRADIN (levothyroxine), our main product in this field, grew to 7,862 million yen (up 1.7% YoY) and those of the poorly absorbable rifamycin antimicrobial agent RIFXIMA (rifaximin) to 5,864 million yen (up 8.7% YoY). In the urology field, sales of the LH-RH derivative microcapsule sustained-release agent LEUPRORELIN (leuprorelin) were 4,430 million yen (down 11.4% YoY).

As a result of the above factors, the segment sales were 56,016 million yen (up 4.5% YoY), and segment profit was 7,647 million yen (up 32.3% YoY).

#### (ii) Animal health business

Sales of the animal health business, which sells products such as veterinary pharmaceuticals and feed additives, were 6,664 million yen (up 0.0% YoY). However, the segment profit was 195 million yen (down 52.3% YoY) due to rising costs of raw materials and other items.

## (iii) Other businesses

Sales of other businesses, which include clinical testing, medical devices, were 162 million yen (down 26.3% YoY). Segment loss was 125 million yen (vs. a loss of 6 million yen in the same period of the previous year).

## (iv) Research and development

The Company conducted research and development including progress on drug discovery research and clinical development centered on the internal medicine, obstetrics and gynecology, and urology areas that are the three core businesses of ASKA Pharmaceutical Co., Ltd. along with proactive deployment of introduction and derivation activities and business alliance strategies.

In the area of clinical development, L-105 (rifaximin) received approval for partial change of the manufacturing and marketing approval for the pediatric indication for the improvement of hyperammonemia in hepatic encephalopathy in March 2024. Furthermore, preparations are in process to file for manufacturing and marketing approval for LF111, which is under development for the indication of contraception, during the first quarter of FY2024. As described under "4. Supplemental material: (2) Product Pipeline," three clinical trials are underway. Phase III trials are in process for LF111 (drospirenone), intended for contraceptive indications. AKP-009 (ludaterone), now under joint development with Kyorin Pharmaceutical Co., Ltd., is in Phase II trial stage and an additional Phase I trial is underway. Phase III trials have begun for TRM-270, which is under joint development with Toray Industries, Inc. The trials are focused on the fields of gastroenterology, and obstetrics and gynecology. A Phase I/II study of AKP-022 (relugolix combination tablets) was initiated in July 2023. In terms of licensing and alliance activities, ASKA Pharmaceutical Co., Ltd. signed an agreement with SUSMED, Inc. for joint research, development, and post-launch marketing of therapeutic apps in obstetrics and gynecology in September 2023. Moreover, ASKA Pharmaceutical and Red Arrow Therapeutics have signed a joint research agreement to develop a new treatment for preeclampsia in March 2024.

Based on the above initiatives, R&D expenses in FY2023 were 4,728 million yen (up 500 million yen YoY).

## (2) Overview of Financial Position for the Current Fiscal Year

## (Assets)

Total assets at the end of the consolidated fiscal year under review stood at 90,745 million yen, up 3,607 million yen from the end of the previous consolidated fiscal year. This figure was due primarily to increases in merchandise and finished goods, and investment securities, despite a decrease in distributorship.

## (Liabilities)

Total liabilities at the end of the consolidated fiscal year under review stood at 28,815 million yen, down 3,789 million yen from the end of the previous consolidated fiscal year. This figure was due primarily to decreases in retirement benefit liability and long-term borrowings (including current portion of long-term borrowings).

## (Net assets)

Total assets at the end of the consolidated fiscal year under review stood at 61,930 million yen, up 7,396 million yen from the end of the consolidated fiscal previous year. This figure was due primarily to an increase in retained earnings resulting from the recording of profit attributable to owners of parent.

The resulting equity ratio was 68.2%, up 5.6 percentage points from the end of the previous consolidated fiscal year.

## (3) Overview of Cash Flow Position for the Current Fiscal Year

The balance of cash and cash equivalents at the end of the current consolidated fiscal year stood at 16,738 million yen, down 766 million yen from the end of the previous consolidated fiscal year.

The standing of each type of cash flow for the current fiscal year, and major contributing factors of each, are summarized below.

## (Cash flows from operating activities)

Net cash provided by operating activities was 1,486 million yen (vs. a gain of 3,351 million yen in the same period of the previous year), due mainly to the recording of profit before income taxes, despite a decrease in retirement benefit liability.

(Cash flows from investing activities)

Net cash provided by investing activities was 1,706 million yen (vs. a loss of 1,126 million yen in the same period of the previous year). This was due mainly to sales of investment securities.

(Cash flows from financing activities)

Net cash used in financing activities was 3,943 million yen (vs. a loss of 1,820 million yen in the same period of the previous year). This was due mainly to repayments of long-term borrowings.

#### (4) Future Outlook

Under the Medium-Term Management Plan that took effect beginning in FY2021, the Company is targeting Groupwide net sale of 70 billion yen, operating profit of 8%, and ROE of 8% in FY2025, as it aims to be a total healthcare company based on specialty pharma. While, as described under "(1) Operating Results for the Fiscal Year ended March 31, 2024," the Company has maintained solid financial results thanks to the efforts of each Group Company, it will carry out Groupwide initiatives toward realization of these goals through further steady execution of growth strategies. In addition to promoting sustainability management further, the Company will aim to help realize a sustainable society and for sustained growth through creation of social value and increasing corporate value over the medium to long term.

Full-year consolidated performance forecasts for FY2024 (from April 1, 2024 to March 31, 2025)

	FY2023 Consolidated Cumulative Period (Millions of yen)	FY2024 Consolidated Cumulative Period (Millions of yen)	Actual (Millions of yen)	Growth (%)
Net sales	62,843	63,000	156	0.2%
Operating profit	6,500	6,700	199	3.1%
Ordinary profit	6,522	6,700	177	2.7%
Profit attributable to owners of parent	7,545	5,000	(2,545)	(33.7%)

Pharmaceutical business, the Group's core business, is projected to record consolidated net sales of 63,000 million yen (up 0.2% YoY), thanks in part to the contributions of growth in obstetrics and gynecological products, despite the impact of periodical NHI drug price revisions. A look at profits shows projections of 6,700 million yen (up 3.1% YoY) in operating profit, 6,700 million yen (up 2.7% YoY) in ordinary profit, despite the projected increase in expenses, mainly R&D expenses. Projected profit attributable to owners of parent is 5,000 million yen (down 33.7% YoY) due to the rebound from the gain on sales of investment securities that occurred in the fiscal year ended March 31, 2024.

#### (5) Basic Policy on Distribution of Earnings and Dividends in This and the Following Period

The Company's basic policy calls for continued stable dividends while taking into comprehensive consideration securing necessary funds for long-term business development. Internal reserves are utilized to enhance the corporate constitution, targeting sustained future growth, through investment in areas such as R&D and production facilities. At the same time, the Company also recognizes appropriate distribution of earnings reflecting revenue levels to be an important topic of management. Based on the "ASKA Pharmaceutical Holdings Takes Action to Implement Management That is Conscious of Cost of Capital and Share Price" announced in November 2023, the Company has shifted to a performance-linked profit-sharing method, indicating a consolidated dividend payout ratio of 30%.

Based on the above considerations, and reflecting recent trends in business performance, the Company plans to pay year-end dividends of 20 yen per share, combined with the interim dividends of 20 yen per share already paid. This will result in annual dividends of 40 yen per share.

The Company plans to distribute earnings in the next period through an increase in annual dividends to 50 yen per share (interim and year-end dividends of 25 yen per share, respectively).

2. Basic Thinking on Selection of Accounting Standards

To facilitate comparison of the consolidated financial statements of different fiscal periods and different companies, the Group's current policy is to use Japanese accounting standards in preparation of consolidated financial statements.

The Company intends to respond appropriately to application of International Financial Reporting Standards (IFRS) by taking into account domestic and international conditions.

## 3. Consolidated Financial Statements

## (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	14,505	13,738
Accounts receivable - trade	15,217	15,579
Securities	3,400	3,500
Merchandise and finished goods	10,815	12,578
Work in process	429	466
Raw materials and supplies	6,443	7,358
Other	2,948	2,922
Total current assets	53,759	56,143
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,949	10,005
Accumulated depreciation	(5,568)	(5,813)
Buildings and structures, net	4,381	4,192
Machinery, equipment and vehicles	17,612	15,488
Accumulated depreciation	(16,266)	(14,248)
Machinery, equipment and vehicles, net	1,346	1,240
Land	4,249	4,249
Construction in progress	389	1,101
Other	3,636	3,762
Accumulated depreciation	(3,208)	(3,283)
Other, net	428	479
Total property, plant and equipment	10,796	11,263
Intangible assets		
Distributorship	3,673	2,110
Other	791	766
Total intangible assets	4,465	2,877
Investments and other assets		
Investment securities	14,385	15,654
Deferred tax assets	1,717	2,696
Other	2,031	2,127
Allowance for doubtful accounts	(17)	(17)
Total investments and other assets	18,117	20,461
Total non-current assets	33,378	34,601
Total assets	87,138	90,745

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,838	4,060
Electronically recorded obligations - operating	3,022	3,295
Short-term borrowings	300	300
Current portion of long-term borrowings	3,138	4,680
Accounts payable - other	4,947	5,794
Income taxes payable	736	2,896
Provision for bonuses	1,142	1,151
Provision for bonuses for directors (and other officers)	24	74
Other	1,498	1,715
Total current liabilities	17,650	23,968
Non-current liabilities		
Long-term borrowings	9,185	4,505
Retirement benefit liability	5,433	—
Other	335	341
Total non-current liabilities	14,954	4,846
Total liabilities	32,604	28,815
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,197	1,197
Capital surplus	1,847	1,848
Retained earnings	49,619	56,372
Treasury shares	(3,350)	(3,287)
Total shareholders' equity	49,315	56,130
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,590	4,790
Foreign currency translation adjustment	405	424
Remeasurements of defined benefit plans	222	584
Total accumulated other comprehensive income	5,218	5,799
Total net assets	54,533	61,930
Total liabilities and net assets	87,138	90,745

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	60,461	62,843
Cost of sales	31,876	32,178
Gross profit	28,584	30,664
Selling, general and administrative expenses	23,476	24,164
Operating profit	5,108	6,500
Non-operating income		
Interest income	0	4
Dividend income	338	330
Other	94	79
Total non-operating income	433	414
Non-operating expenses		
Interest expenses	50	40
Share of loss of entities accounted for using equity method	19	41
Foreign exchange losses	43	51
Loss on disposal of non-current assets	52	13
Expenses of inactive non-current assets	53	91
Rental expenses on real estate	6	55
Contribution of ESOP trust	51	—
Other	31	98
Total non-operating expenses	308	392
Ordinary profit	5,232	6,522
Extraordinary income		
Gain on sale of investment securities	124	3,340
Total extraordinary income	124	3,340
Profit before income taxes	5,357	9,862
Income taxes - current	1,108	3,514
Income taxes - deferred	10	(1,197)
Total income taxes	1,118	2,316
Profit	4,238	7,545
Profit attributable to owners of parent	4,238	7,545

## (Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	4,238	7,545
Other comprehensive income		
Valuation difference on available-for-sale securities	1,371	202
Remeasurements of defined benefit plans, net of tax	144	362
Share of other comprehensive income of entities accounted for using equity method	229	16
Total other comprehensive income	1,745	581
Comprehensive income	5,983	8,127
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,983	8,127

## (3) Consolidated Statement of Changes in Equity

Previous consolidated fiscal year (April 1, 2022 – March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,197	1,867	45,833	(3,479)	45,419
Changes during period					
Dividends of surplus			(452)		(452)
Profit attributable to owners of parent			4,238		4,238
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(19)		129	109
Net changes in items other than shareholders' equity					
Total changes during period	-	(19)	3,785	129	3,895
Balance at end of period	1,197	1,847	49,619	(3,350)	49,315

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3,231	164	77	3,473	48,892
Changes during period					
Dividends of surplus					(452)
Profit attributable to owners of parent					4,238
Purchase of treasury shares					(0)
Disposal of treasury shares					109
Net changes in items other than shareholders' equity	1,359	241	144	1,745	1,745
Total changes during period	1,359	241	144	1,745	5,641
Balance at end of period	4,590	405	222	5,218	54,533

Current consolidated fiscal year (April 1, 2023 – March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,197	1,847	49,619	(3,350)	49,315
Changes during period					
Dividends of surplus			(792)		(792)
Profit attributable to owners of parent			7,545		7,545
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		0		62	62
Net changes in items other than shareholders' equity					
Total changes during period	-	0	6,752	62	6,815
Balance at end of period	1,197	1,848	56,372	(3,287)	56,130

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	4,590	405	222	5,218	54,533
Changes during period					
Dividends of surplus					(792)
Profit attributable to owners of parent					7,545
Purchase of treasury shares					(0)
Disposal of treasury shares					62
Net changes in items other than shareholders' equity	200	18	362	581	581
Total changes during period	200	18	362	581	7,396
Balance at end of period	4,790	424	584	5,799	61,930

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	5,357	9,862
Depreciation	3,127	2,662
Increase (decrease) in retirement benefit asset and liability	(153)	(5,262)
Interest and dividend income	(338)	(335)
Interest expenses	50	40
Share of loss (profit) of entities accounted for using equity method	19	41
Loss (gain) on sale and retirement of property, plant and equipment	6	2
Loss (gain) on sale of investment securities	(124)	(3,340)
Decrease (increase) in trade receivables	(742)	(370)
Decrease (increase) in inventories	(2,627)	(2,713)
Increase (decrease) in trade payables	(980)	1,494
Other, net	322	642
Subtotal	3,916	2,724
Interest and dividends received	337	414
Interest paid	(51)	(41)
Income taxes paid	(850)	(1,611)
Net cash provided by (used in) operating activities	3,351	1,486
<b>Cash flows from investing activities</b>		
Proceeds from redemption of securities	—	400
Purchase of securities	(400)	(500)
Purchase of property, plant and equipment	(461)	(1,320)
Proceeds from sale of property, plant and equipment	0	1
Purchase of intangible assets	(285)	(133)
Purchase of investment securities	—	(352)
Proceeds from sale of investment securities	190	4,230
Purchase of shares of subsidiaries and associates	—	(1,464)
Other, net	(170)	845
Net cash provided by (used in) investing activities	(1,126)	1,706
<b>Cash flows from financing activities</b>		
Repayments of long-term borrowings	(1,423)	(3,138)
Net decrease (increase) in treasury shares	55	9
Dividends paid	(452)	(792)
Other, net	—	(22)
Net cash provided by (used in) financing activities	(1,820)	(3,943)
Effect of exchange rate change on cash and cash equivalents	(2)	(15)
Net increase (decrease) in cash and cash equivalents	402	(766)
Cash and cash equivalents at beginning of period	17,103	17,505
Cash and cash equivalents at end of period	17,505	16,738

## (5) Notes to the Consolidated Financial Statements

(Notes concerning the going-concern assumption)

Not applicable.

(Changes to accounting policies)

Not applicable.

(Application of the Implementation Guidance on Accounting Standard for Fair Value Measurement)

Not applicable.

(Changes to accounting estimates)

Not applicable.

(Segment information etc.)

## Segment information

## 1. Summary of reporting segments

The Group's reporting segments are constituent units of the Company for which separate financial information can be obtained. They are subject to review at regular intervals by the Board of Directors to make decisions on allocation of corporate resources and to assess business performance.

The Group's chief businesses include manufacture, sale, and import/export of medical pharmaceuticals and other products. Its two reporting segments are the pharmaceutical business and the animal health business. The pharmaceutical business mainly manufactures and sells medical pharmaceuticals.

The animal health business mainly manufactures and sells products such as veterinary pharmaceuticals and feed additives.

## 2. Methods of calculating amounts of net sales, profit/loss, assets, liabilities, and other items per reporting segment

The account processing methods of reporting segments conform to the accounting policies employed in preparation of the consolidated financial statements.

Figures for reporting-segment profits are based on operating profit.

Internal sales or transfers between segments are based on actual market prices.

## 3. Information regarding amounts of net sales, profit/loss, assets, liabilities, and other items per reporting segment

Previous consolidated fiscal year (April 1, 2022 – March 31, 2023)

(Millions of yen)

	Reporting-segment		Others Note 1.	Total	Amounts of adjustments Note 2.	Amount recorded on consolidated financial statements Note 3.
	Pharmaceutical business	Animal health business				
Net Sales						
Sales to external customers	53,579	6,660	220	60,461	—	60,461
Intersegment sales and transfers	—	—	77	77	(77)	—
Total	53,579	6,660	298	60,538	(77)	60,461
Segment profit (loss)	5,779	409	(6)	6,181	(1,073)	5,108
Segment assets	40,135	3,031	42	43,209	43,928	87,138
Other items						
Depreciation	2,487	4	—	2,491	481	2,972

Notes:

- The "Other" business segment consists of businesses not included in the reporting segments, including clinical testing and medical devices etc.

2. Details of amounts of adjustments are provided below.
  - (1) The adjustment of (1,073) million yen to segment profit or loss (number in parentheses) consists of companywide expenses not allocated to individual business segments, which consist mainly of expenses related to the parent holding company
  - (2) The adjustment of 43,928 million yen to segment assets consists of companywide assets not allocated to individual business segments, which consist mainly of the Company's financial assets (cash and deposits, and investment securities) not attributable to business segments and assets related to administrative sections.
  - (3) The adjustment of 481 million yen to depreciation consists of depreciation not allocated to individual business segments.
3. Segment profit or loss (numbers in parentheses) is adjusted against operating profit on the consolidated financial statements.

Previous consolidated fiscal year (April 1, 2022 – March 31, 2023)

(Millions of yen)

	Reporting-segment		Others Note 1.	Total	Amounts of adjustments Note 2.	Amount recorded on consolidated financial statements Note 3.
	Pharmaceutical business	Animal health business				
Net Sales						
Sales to external customers	56,016	6,664	162	62,843	—	62,843
Intersegment sales and transfers	—	—	64	64	(64)	—
Total	56,016	6,664	226	62,907	(64)	62,843
Segment profit (loss)	7,647	195	(125)	7,717	(1,216)	6,500
Segment assets	45,034	3,514	39	48,588	42,157	90,745
Other items						
Depreciation	2,227	4	—	2,231	201	2,432

Notes:

- The “Other” business segment consists of businesses not included in the reporting segments, including clinical testing and medical devices.
- Details of amounts of adjustments are provided below.
  - The adjustment of (1,216) million yen to segment profit or loss (number in parentheses) consists of companywide expenses not allocated to individual business segments, which consist mainly of expenses related to the parent holding company.
  - The adjustment of 42,157 million yen to segment assets consists of companywide assets not allocated to individual business segments, which consist mainly of the Company’s financial assets (cash and deposits, and investment securities) not attributable to business segments and assets related to administrative sections.
  - The adjustment of 201 million yen to depreciation consists of depreciation not allocated to individual business segments.
- Segment profit or loss (numbers in parentheses) is adjusted against operating profit on the consolidated financial statements.

## Related information

Previous consolidated fiscal year (April 1, 2022 – March 31, 2023)

## 1. Information on individual products and services

This information is omitted because the same information is discussed under segment information.

## 2. Information on individual regions

## (1) Net sales

This information is omitted because sales to external customers in Japan account for more than 90% of net sales on the Consolidated Statements of Income.

## (2) Property, plant and equipment

This information is omitted because no property, plant and equipment are located outside of Japan.

## 3. Information on individual main customers

(Millions of yen)

Customer name	Net sales	Related segment
Takeda Pharmaceutical Company Limited	52,293	Pharmaceutical business

Current consolidated fiscal year (April 1, 2023 – March 31, 2024)

1. Information on individual products and services

This information is omitted because the same information is discussed under segment information.

2. Information on individual regions

(1) Net sales

This information is omitted because sales to external customers in Japan account for more than 90% of net sales on the Consolidated Statements of Income.

(2) Property, plant and equipment

This information is omitted because no property, plant and equipment are located outside of Japan.

3. Information on individual main customers

(Millions of yen)

Customer name	Net sales	Related segment
Takeda Pharmaceutical Company Limited	54,564	Pharmaceutical business

Information on impairment of non-current assets in each reporting segment

Not applicable.

Information on amortization of goodwill and unamortized balances in each reporting segment

Not applicable.

Information on gain on negative goodwill in each reporting segment

Not applicable.

(Notes to amounts per share)

	Year ended March 31, 2023	Year ended March 31, 2024
Net assets per share	1,928.14 yen	2,186.10 yen
Earnings per share	150.08 yen	266.51 yen

Notes: 1. Diluted profit per share is not indicated because there were no dilutive shares.

2. The bases of calculation of profit per share are described below.

	Year ended March 31, 2023	Year ended March 31, 2024
Profit attributable to owners of parent	4,238 million yen	7,545 million yen
The amount which is not attributable to ordinary shareholders	-	-
Profit attributable to owners of parent related to common stocks	4,238 million yen	7,545 million yen
Average number of shares outstanding during the period	28,239 thousands of shares	28,313 thousands of shares

The Company's shares held in the trust account for the employee share ownership plan are included in treasury shares deducted from the total number of shares issued at the end of the period for purposes of calculation of profit per share (8,000 shares in the previous consolidated fiscal year).

In addition, they are included in treasury shares deducted in calculation of average number of shares during the period, for purposes of calculation of profit per share (32,000 shares in the previous consolidated fiscal year).

(Significant subsequent events)

Not applicable.

## 4. Supplemental Material

## (1) Sales of Main Products

S a l e s   o f   M a i n   P r o d u c t s  
( F Y 2 0 2 3                      A c t u a l )

ASKA Pharmaceutical Co., Ltd.

(Millions of yen)

Therapeutic category	Products	FY2022 Actual	FY2023 Actual	Actual YOY (%)	FY2024 Forecast
Uterine fibroid and endometriosis agent	RELUMINA (relugolix)	8,839	9,906	12.1	11,251
Antihypertensive agent	CANDESARTAN* (candesartan)	10,723	9,593	(10.5)	8,626
Thyroid hormone agent	THYRADIN (levothyroxine)	7,733	7,862	1.7	8,018
Dysmenorrhea agent	DroEthi (drospirenone/ ethinylestradiol)	3,671	6,125	66.8	5,990
Poorly absorbable rifamycin antimicrobial agent	RIFXIMA (rifaximin)	5,397	5,864	8.7	6,117
LH-RH derivative microcapsule sustained-release agent	LEUPRORELIN (leuprorelin)	4,999	4,430	(11.4)	3,962
Dysmenorrhea agent	FREWELL (norethisterone/ ethinylestradiol)	3,489	3,303	(5.4)	3,101
Progesterone hormone agent	LUTEUM (Progesterone)	1,251	2,029	62.1	2,106
Antithyroid agent	MERCAZOLE (thiamazole)	1,486	1,521	2.3	1,510
Antihypertensive agent	AMLODIPINE (amlodipine)	901	840	(6.7)	806

\* Including compounding agents

ASKA Animal Health Co., Ltd.

(Millions of yen)

Business field	FY2022 Actual	FY2023 Actual	YOY (%)	FY2024 Forecast
Feed additives, mixed feed, feed materials	4,152	4,042	(2.7)	4,031
Veterinary pharmaceuticals	2,370	2,487	4.9	2,534

## (2) Product Pipeline

Pipeline (as of May 10, 2024)

ASKA Pharmaceutical Co., Ltd.

Stage	Development code	Generic name	Indication	Notes
Preparing for filing *1	LF111	Drospirenone	Oral contraceptive	Licensors Insud Pharma (Spain)
Phase III	TRM-270	Adhesion barrier	Prevention of intra-abdominal organ adhesion in the post-operative period in the areas of gastroenterology and, obstetrics and gynecology	Co-development Toray Industries, Inc.
Phase II	AKP-009	Ludaterone Acetate	Benign prostatic hyperplasia	In-house Co-development: KYORIN Pharmaceutical Co., Ltd.
Phase I/II	AKP-022	Relugolix combination tablets	Uterine fibroids	Licensors Takeda Pharmaceutical Company Limited

## Note: Changes from last time

L-105 (rifaximin), which was in the process of filing, has received approval for partial change of the manufacturing and marketing approval for the pediatric indication for the improvement of hyperammonemia in hepatic encephalopathy.

Since LF111 (drospirenone) verified its contraceptive efficacy in a Phase III clinical trial in Japan, preparations are underway for filing.

## (3) (Consolidated) Capital Expenditures, Depreciation, Research and Development Expenses

## 1. Capital Expenditures (Millions of yen)

	FY2022	FY2023	FY2024
Full year	1,256	1,540	(Forecast) <b>2,761</b>

## 2. Depreciation (Millions of yen)

	FY2022	FY2023	FY2024
Full year	3,127	2,662	(Forecast) <b>2,268</b>

## 3. Research and Development Expenses (Millions of yen)

	FY2022	FY2023	FY2024
Full year	4,227	4,728	(Forecast) <b>5,575</b>