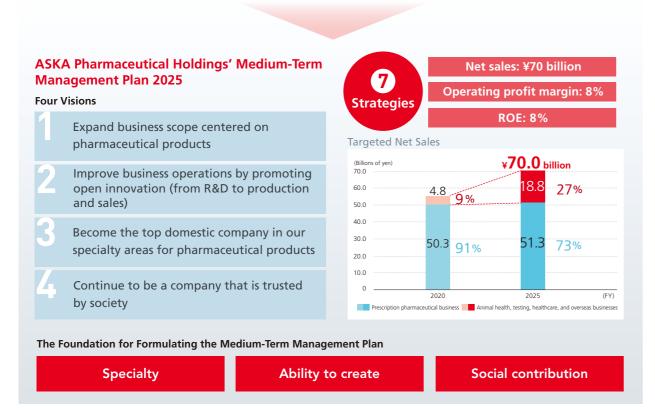
ASKA Pharmaceutical Holdings' Medium-Term Management Plan 2025

With the aim of becoming a total healthcare company, ASKA Pharmaceutical Holdings is implementing its Medium-Term Management Plan 2025, which ends in FY2025. To realize the four visions we have set, we are pursuing seven strategies based on the foundation of specialty, ability to create, and social contribution.



	FY2021 Actual	FY2022 Actual	FY2025 Targets
Net sales (Millions of yen)	56,607	60,461	70,000
Operating profit margin (%)	8.5	8.4	8.0
ROE (%)	8.8	8.2	8.0

Review of FY2022

In FY2022, the second year of ASKA Pharmaceutical Holdings' Medium-Term Management Plan 2025, economic activities continued to normalize. However, soaring energy and raw material prices and other cost increases meant the outlook remained uncertain. In the pharmaceutical industry, the business environment has become increasingly difficult due to factors such as NHI price revisions imposed each year since April 2021 to curb drug costs. However, despite these conditions, the Group was able to match the excellent performance it achieved in the previous fiscal year and has achieved record consolidated net sales of ¥60,461 million. This was achieved through growth in Ob/Gyn products in the pharmaceutical business and strong sales of feed additives

in the animal health business. Despite higher R&D and sales promotion expenses from the normalization of sales activities, operating profit increased to ¥5,108 million due to an increase in gross profit. Ordinary profit was ¥5,232 million, after recording ¥433 million in non-operating income and ¥308 million in non-operating expenses. Although extraordinary income of ¥124 million was recorded from the sale of investment securities, profit attributable to owners of parent declined ¥51 million year on year to ¥4,238 million. This was partly because there was no extraordinary income from the sale of non-current assets that was booked in the previous fiscal year.

Note: Amounts are rounded down to the nearest million yen.

Seven Strategies: Achievements, Future Challenges and Initiatives

Seven Strategies	FY2022 Achievements	Future Challenges and Initiatives
 Enhance Corporate Value by Strengthening Initiatives in the Specialty Areas See pages 26-28 for details. 	 Expanded the Company's share of the LEP formulation market based on the sole sales rights for DroEthi and achieved market 	 Continue to grow the business by providing products that cater to a wide range of women's life stages
	penetration of RELUMINA to become the leading company in the Ob/Gyn area • LF111 new drug application filed by	 Promote accurate understanding through awareness campaigns on often-overlooked diseases
	Hyundai Pharm. Co., Ltd. (South Korea)	discuses
2. Continuously Create New Drugs through Advanced Drug DiscoverySee page 28 for details.	Made progress toward the application preparation stage for L-105 (pediatric) and the completion of recruiting for LF111	 Expedite schedule for research and development themes Create new assets to meet unmet medical
	Phase III clinical trials, among other development stage advancements.	needs in priority areas
	 Concluded a collaborative research agreement with Epsilon Molecular Engineering, Inc., aiming to create novel VHH drugs in the Ob/Gyn area 	
3. Overseas Operations ▶See page 29 for details.	Supported operation of Hataphar's new plant following its completion	Support Hataphar's new plant operation by enhancing collaboration
	(ASKA Pharmaceutical)	(ASKA Pharmaceutical)
4. Provide New Value to Realize Total Healthcare▶See pages 24-33 for details.	 Started collaboration in the pharmaceutical peripheral area (Adoption of Femtech and 	 Establish projects to support improvement of women's health issues (Femtech)
	other support service businesses, conclusion of consortium agreement with four companies,	(ASKA Animal Health)
	conclusion of joint information provision agreement on fetal monitors with Melody International Ltd.)	 Expand companion animal product lineup and establish and develop an efficient sales structure
	(ASKA Animal Health)	(ASKA Pharma Medical)
	 Took over and newly launched a total of three products, including feed additives and veterinary pharmaceuticals 	 Expand lineup of hormone measurement kits for hair samples and develop measurement business for samples other than fixed hair samples
	(ASKA Pharma Medical)	than fixed half samples
	 Following registration as a clinical laboratory, started contracting to perform testing and diagnostics for medical institutions 	
5. Improve Operational Efficiency, Cut Costs, and Reinforce Our Financial Base	· Continued cost reduction measures	Promote autonomous digitalization of
	Reexamined product portfolio	departments to improve operational efficiency • Secure a stable financial base while
See pages 24-29 for details.		improving capital efficiency
6. Foster an Organizational Culture That Emphasizes thorough	Continued reviews of quality management system	Enhance employee awareness through ongoing education and training
Compliance and Accountability ▶See pages 46-51 for details.	Continued to implement compliance training	
	 Expanded flexible work styles, including renovating head office and promoting paperless operations 	Promote measures to achieve work-life balance and health management
7. Develop Human Resources to Realize Growth StrategiesSee pages 34-39 for details.	Continued health management initiatives to maintain our presence in White 500 Certified Health & Productivity Management Outstanding Organizations Recognition Program	Build an organizational structure that embraces diversity and enables all employees to thrive
	Expanded e-learning, selection, and enhanced opportunities for level-specific education and training	

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