

**Summary of Consolidated Financial Results for the Second Quarter of
the Year Ending March 31, 2022 (FY2021)
<Based on Japanese GAAP>**

November 1, 2021

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 : General Manager Corporate Planning Department Hideaki Kobayashi TEL +81-3-5484-8366
 Scheduled date to file Quarterly Report : November 8, 2021
 Scheduled date to commence dividend payments : November 30, 2021
 Supplementary material for financial results : Yes
 Financial results meeting : Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the second quarter ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

(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	%
Second quarter of FY2021	28,477	-	2,657	-	2,743	-	(2,796)	-
Second quarter of FY2020	-	-	-	-	-	-	-	-

Note: Comprehensive income
 Second quarter of FY2021 (Millions of yen) (2,559) (-%)
 Second quarter of FY2020 (Millions of yen) - (-%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Second quarter of FY2021	(98.52)	-
Second quarter of FY2020	-	-

Note: There are no financial results for the previous second quarter because ASKA Pharmaceutical Holdings Co., Ltd. was established through a sole share transfer on April 1, 2021.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2021	78,295	41,790	53.4
As of March 31, 2021	-	-	-

Reference: Tangible net worth
 Second quarter of FY2021 (Millions of yen) 41,790
 Second quarter of FY2020 (Millions of yen) -

Note: There are no financial results for the previous year because ASKA Pharmaceutical Holdings Co., Ltd. was established through a sole share transfer on April 1, 2021.

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2021	-	-	-	-	-
Year ending March 31, 2022	-	7.00	-	-	-
Year ending March 31, 2022 (Forecast)	-	-	-	7.00	14.00

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

2. Dividend resources for the second quarter FY2021 are from other capital surplus.

3. There are no financial results for the previous year because ASKA Pharmaceutical Holdings Co., Ltd. was established through a sole share transfer on April 1, 2021.

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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	54,500	-	3,500	-	3,600	-	(2,600)	-	(91.62)

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

2. There are no percentage changes from the previous year because ASKA Pharmaceutical Holdings Co., Ltd. was established through a sole share transfer on April 1, 2021.

Notes:

- (1) Changes in significant subsidiaries during the Second quarter of FY2021
(changes in specified subsidiaries resulting from the change in the extent of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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

(4) Number of issued shares (common shares)

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

As of September 30, 2021	30,563,199	As of March, 2021	-
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2) Number of treasury shares at the end of the period

As of September 30, 2021	2,150,700	As of March, 2021	-
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3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Second quarter of FY2021	28,389,313	Second quarter of FY2020	-
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Note: There are no previous financial results because ASKA Pharmaceutical Holdings Co., Ltd. was established through a sole share transfer on April 1, 2021.

This financial results report is not subject to audit procedures by Certified Public Accountants or audit firm.

Explanation about proper use of the financial forecast figures, and other special notes

- The forecast figures shown in this report are based on information currently available to the Company and may contain certain uncertainties. Actual business results may materially differ from the forecasted figures due to various factors in the future
- ASKA Pharmaceutical Holdings Co., Ltd. was established through a sole share transfer on April 1, 2021 and there are no previous financial results due to our first consolidated fiscal year.

Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

As of September 30, 2021

Assets	
Current assets	
Cash and deposits	10,117
Notes and accounts receivable - trade, and contract assets	14,851
Merchandise and finished goods	8,848
Work in process	690
Raw materials and supplies	4,103
Other	1,840
Allowance for doubtful accounts	(0)
Total current assets	40,451
Non-current assets	
Property, plant and equipment	12,347
Intangible assets	5,689
Investments and other assets	
Investment securities	12,938
Other	6,886
Allowance for doubtful accounts	(17)
Total investments and other assets	19,807
Total non-current assets	37,844
Total assets	78,295
Liabilities	
Current liabilities	
Notes and accounts payable - trade	3,521
Electronically recorded obligations - operating	2,655
Short-term borrowings	2,618
Provision for bonuses	1,107
Other	6,222
Total current liabilities	16,124
Non-current liabilities	
Long-term borrowings	12,598
Provision for environmental measures expense	820
Retirement benefit liability	6,625
Other	336
Total non-current liabilities	20,380
Total liabilities	36,504
Net assets	
Shareholders' equity	
Share capital	1,197
Capital surplus	894
Retained earnings	39,919
Treasury shares	(3,238)
Total shareholders' equity	38,772
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	2,987
Foreign currency translation adjustment	59
Readjustments of defined benefit plans	(29)
Total accumulated other comprehensive income	3,018
Total net assets	41,790
Total liabilities and net assets	78,295

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

(Millions of yen)

Second quarter of FY2021

Net sales	28,477
Cost of sales	15,051
Gross profit	13,426
Selling, general and administrative expenses	10,768
Operating profit	2,657
Non-operating income	
Interest income	0
Dividend income	137
Share of profit of entities accounted for using equity method	51
Other	65
Total non-operating income	254
Non-operating expenses	
Interest expenses	29
Expenses of inactive non-current assets	108
Other	30
Total non-operating expenses	168
Ordinary profit	2,743
Extraordinary losses	
Impairment losses	5,921
Other	961
Total extraordinary losses	6,882
Loss before income taxes	(4,139)
Income taxes - current	117
Income taxes - deferred	(1,460)
Total income taxes	(1,342)
Loss	(2,796)
Loss attributable to owners of parent	(2,796)

(Consolidated Statements of Income)

(Millions of yen)

Second quarter of
FY2021

Profit	(2,796)
Other comprehensive income	
Valuation difference on available-for-sale securities	162
Readjustments of defined benefit plans, net of tax	15
Share of other comprehensive income of entities accounted for using equity method	59
Total other comprehensive income	237
Comprehensive income	(2,559)
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	(2,559)

(3) Consolidated Statements of Cash Flows for the Quarter

(Millions of yen)

	Second quarter of FY2021
Cash flows from operating activities	
Loss before income taxes	(4,139)
Depreciation	1,346
Impairment losses	5,921
Increase (decrease) in retirement benefit liability	221
Interest and dividend income	(137)
Interest expenses	29
Share of loss (profit) of entities accounted for using equity method	(51)
Decrease (increase) in trade receivables	(1,697)
Decrease (increase) in inventories	730
Increase (decrease) in trade payables	(254)
Other, net	234
Subtotal	2,203
Interest and dividends received	137
Interest paid	(30)
Income taxes paid	(894)
Net cash provided by (used in) operating activities	1,417
Cash flows from investing activities	
Purchase of property, plant and equipment	(262)
Purchase of intangible assets	(133)
Purchase of shares of subsidiaries and associates	(53)
Other, net	22
Net cash provided by (used in) investing activities	(427)
Cash flows from financing activities	
Net increase (decrease) in short-term borrowings	(30)
Repayments of long-term borrowings	(1,149)
Decrease (increase) in treasury shares	(7)
Dividends paid	(199)
Net cash provided by (used in) financing activities	(1,386)
Effect of exchange rate change on cash and cash equivalents	(0)
Net increase (decrease) in cash and cash equivalents	(396)
Cash and cash equivalents at beginning of period	10,514
Cash and cash equivalents at end of period	10,117

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 1 S e c o n d Q u a r t e r A c t u a l)

ASKA Pharmaceutical Co., Ltd.

(Millions of yen)

Therapeutic category	Products	FY2020		FY2021		QOQ(%)
		2Q Actual	FY2020 Actual	2Q Actual	FY2021 Forecast	
Antihypertensive agent	CANDESARTAN*	6,117	12,329	6,259	11,651	2.3
Thyroid hormone	THYRADIN	3,579	7,209	3,790	7,365	5.9
GnRH antagonist	RELUMINA	2,519	5,709	3,703	7,694	47.0
LH-RH derivative	LEUPRORELIN	2,274	4,502	2,520	4,439	10.8
Poorly absorbable rifamycin antimicrobial agent	RIFXIMA	2,176	4,334	2,464	5,170	13.2
Dysmenorrhea agent	FREWELL	1,355	2,952	1,667	3,006	23.0
Antithyroid agent	MERCAZOLE	698	1,401	751	1,435	7.5
Antihypertensive agent	AMLODIPINE	632	1,294	555	1,091	(12.3)
Amyotrophic lateral sclerosis agent	RILUZOLE	560	1,083	495	1,017	(11.6)
Tocolytic agent Inhibitory and therapeutic agent for the onset of eclampsia	MAGSENT	466	908	467	794	0.3

*Including compounding agents

(2) Product Pipeline

Pipeline (as of November 1, 2021)

ASKA Pharmaceutical Co., Ltd.

Stage	Development code	Generic name	Indication	Origin
Filed	TAK-385	relugolix	Endometriosis	Takeda Pharmaceutical Co., Ltd.
Phase II / III	L-105	rifaximin	Hepatic encephalopathy (Children)	Alfasigma S.p.A (Italy)
Phase II*	AKP-009	ludaterone acetate	Benign prostatic hyperplasia	In-house Co-development: KYORIN Pharmaceutical Co., Ltd.
Phase I / II	LF111	drospirenone	Oral contraceptive	Insud Pharma
Phase I	L-105	rifaximin	Crohn's disease	Alfasigma S.p.A (Italy)

* Considering the Phase IIa trial results, an additional Ph I trial for a higher dose is being initiated for consideration.

Note: Application for approval of CDB-2914 (ulipristal) has been withdrawn.

(3) (Consolidated) Capital Expenditures, Depreciation, Research and development expenses

1. Capital Expenditures

(Millions of yen)

	FY2020	FY2021
Second quarter	401	738
Full year	766	(Forecast) 1,092

2. Depreciation

	FY2020	FY2021
Second quarter	1,797	1,346
Full year	3,305	(Forecast) 2,941

3. Research and development expenses

	FY2020	FY2021
Second quarter	2,338	1,941
Full year	4,709	(Forecast) 3,977

Financial results for FY2020 are published by ASKA Pharmaceutical Co., Ltd.