

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

May 12, 2022

Company name: ASKA Pharmaceutical Holdings Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4886 URL: <https://www.aska-pharma-hd.co.jp/english/>  
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 Scheduled date of ordinary general meeting of shareholders : June 28, 2022  
 Scheduled date to file Quarterly Report : June 28, 2022  
 Scheduled date to commence dividend payments : June 29, 2022  
 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 Year Ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(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, 2022	56,607	-	4,795	-	4,880	-	4,290	-
Year ended March 31, 2021	-	-	-	-	-	-	-	-

Note: Comprehensive income  
 Year ended March 31, 2022 (Millions of yen) 4,982 (-%)  
 Year ended March 31, 2021 (Millions of yen) - (-%)

	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, 2022	151.22	—	8.8	5.9	8.5
Year ended March 31, 2021	—	—	—	—	—

Reference: Equity Gains (Losses) of Year ended March 31, 2022 (Millions of yen) 18  
 Affiliated Companies Year ended March 31, 2021 (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) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	83,297	48,892	58.7	1,734.80
As of March 31, 2021	—	—	—	—

Reference: Tangible net worth  
 Year ended March 31, 2022 (Millions of yen) 48,892  
 Year ended March 31, 2021 (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.

(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, 2022	2,842	6,743	(2,996)	17,103
Year ended March 31, 2021	—	—	—	—

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					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, 2021	—	—	—	—	—	—	—	—
Year ended March 31, 2022	—	7.00	—	8.00	15.00	425	5.3	0.5
Year ending March 31, 2023 (Forecast)		8.00	—	8.00	16.00		—	

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, 2023 (from April 1, 2022 to March 31, 2023)

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	57,500	1.6	4,200	(12.4)	4,300	(11.9)	3,300	(23.1)	116.32

Notes:

- (1) Changes in significant subsidiaries during the Year ended March 31, 2022  
(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

(3) Number of issued shares (common shares)

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

Year ended March 31, 2022	30,563,199	Year ended March 31, 2021	-
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2) Number of treasury shares at the end of the period

Year ended March 31, 2022	2,379,856	Year ended March 31, 2021	-
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3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Year ended March 31, 2022	28,370,218	Year ended March 31, 2021	-
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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 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 19, 2022. The materials used in this briefing will be posted on the Company's website.
- There are no previous financial results because ASKA Pharmaceutical Holdings Co., Ltd. was established through a sole share transfer on April 1, 2021.

\* Breakdown of dividends funded from capital surplus

A breakdown of dividends funded from capital surplus included in dividends for the period ended March 31, 2022 is provided below.

Record date	End of Second quarter (September 30, 2021)
Dividend Per Share	7.00
	(Millions of yen)
Total amount of dividends	199
Decrease in net assets (%)	0.005

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## 1. Overview of Operating Results and Financial Position

ASKA Pharmaceutical Holdings Co., Ltd. was established as a parent company of ASKA Pharmaceutical Co., Ltd. through a sole share transfer on April 1, 2021.

### (1) Operating Results for the Fiscal Year Ended March 31, 2022

The Company's operating results for the consolidated cumulative period under review are as follows.

	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, 2022	56,607	4,795	4,880	4,290
(Reference) Year ended March 31, 2021	55,181	3,609	3,092	2,713

Reference: Financial results up to the fiscal year ended March 2021 are published by ASKA Pharmaceutical Co., Ltd.

The Group's net sales in the consolidated fiscal year under review were 56,607 million yen. Cost of sales was 30,255 million yen and selling, general and administrative expenses were 21,556 million yen, resulting in operating profit of 4,795 million yen. Ordinary profit was 4,880 million yen, after recording 379 million yen in non-operating income and 294 million yen in non-operating expenses. As a result of factors including the recording of 9,425 million yen in gain on sale of non-current assets through the sale of land and buildings owned by the consolidated subsidiary ASKA Pharmaceutical Co., Ltd., 9,683 million yen was recorded in extraordinary income. On the other hand, 8,400 million yen was recorded in extraordinary losses due to factors including the recording of 1,151 million yen in loss on valuation of investment securities, in addition to 6,891 million yen in extraordinary losses resulting from causes such as impairment of intangible assets due to suspension of development of CDB-2914 (Ulipristal) applied for by ASKA Pharmaceutical Co., Ltd. As a result of the above factors, profit attributable to owners of parent was 4,290 million yen.

Business results by segment are described below.

#### (i) Pharmaceuticals

Despite the impact of developments such as the first intermediate-year revision of NHI drug prices implemented in April 2021 and progress of measures to keep down medical care costs, the pharmaceutical drugs business showed favorable performance overall, due to factors such as growth in obstetrics and gynecology products, which are a major product line. A look at results by product shows considerable growth in the obstetrics and gynecology area, to 7,334 million yen for the GnRH antagonist RELUMINA and 3,463 million yen for the dysmenorrhea agent FREWELL. In the internal medicine area, in addition to increases of 7,499 million yen for the thyroid hormone THYRADIN and 4,854 million yen for the poorly absorbable rifamycin antimicrobial agent RIFXIMA, growth in alternative demand spurred by problems in competitors' supplies led to results of 12,394 million yen for the authorized generic CANDESARTAN and 5,183 million yen for the LH-RH derivative microcapsule sustained-release formulation LEUPRORELIN.

As a result of the above factors, net sales were 50,791 million yen in this segment, and segment income was 5,088 million yen.

\* See "4. Supplemental Material" for more information on sales of main products.

#### (ii) Other businesses

Sales results for other businesses, which include animal health drugs, clinical testing, and medical devices, were favorable, centered on drugs for livestock and companion animals and feed additives in the animal health drugs business.

As a result of the above factors, net sales were 5,816 million yen in this segment, and segment income was 360 million yen.

#### (iii) Research and development

The Company carried out research and development including progress on drug-development 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 September 2021, we concluded with Toray Industries, Inc. a joint business collaboration agreement designating Japan as the business territory for the adhesion barrier TRM-270C (Toray development code) now under joint development by Toray and Nanotheta Co., Ltd.

In September 2021, we concluded a licensing agreement for exclusive development and commercialization for uterine fibroid use in Japan of the Relugolix combination tablet (development code: TAK-385) owned by Takeda Pharmaceutical Company Limited.

Regarding CDB-2914 (Ulipristal), for which we submitted an application for marketing authorization approval in December 2019 for an indication related to uterine fibroids, since approval has been retained for only limited indications in Europe after severe cases of liver damage arose among patient using Ulipristal, we determined that it would be difficult to obtain new approval in Japan and decided to withdraw the marketing authorization application in September 2021.

Regarding the joint research on new drug discovery that targets specific ion channels currently underway with RaQualia Pharma Inc., we concluded a new joint research agreement in November 2021 regarding efforts to develop new medications utilizing the results obtained through now.

In December 2021 approval was obtained for use of RELUMINA tablets 40 mg (Relugolix) for improvement of pain associated with endometriosis in addition to uterine fibroids and its associated symptoms (Excessive menstruation, lower abdominal pain, back pain, and anemia).

Based on the results of Phase IIa clinical trial, additional Phase clinical trial conducted to confirm maximum effectiveness of AKP-009 (Ludaterone acetate), now under joint development with KYORIN Pharmaceutical Co., Ltd. for indications of benign prostatic hyperplasia, is complete.

LF111 (Drospirenone), now under development for its contraceptive effects, has completed clinical trial in Phases I and II, and Phase III clinical trial has begun.

Based on the above factors, R&D expenses in the period ending March 31, 2022 were 3,598 million yen.

## (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 83,297 million yen, comprising primarily 49,557 million yen in current assets, including 12,103 million yen in cash and deposits, 14,482 million yen in accounts receivable - trade, and 10,016 million yen in merchandise and finished goods, and 33,739 million yen in non-current assets, including 10,936 million yen in property, plant and equipment and 12,223 million yen in investment securities.

### (Liabilities)

Total liabilities at the end of the consolidated fiscal year under review stood at 34,404 million yen, comprising primarily 16,011 million yen in current liabilities, including 3,118 million yen in notes and accounts payable - trade, 3,723 million yen in electronically recorded obligations, and 4,867 million yen in accounts payable - other, and 18,393 million yen in non-current liabilities, including 12,323 million yen in long-term borrowings and 5,730 million yen in retirement benefit liability.

### (Net assets)

Total liabilities at the end of the consolidated fiscal year under review stood at 48,892 million yen, comprising primarily 45,419 million yen in shareholders' equity, including 45,833 million yen in retained earnings, and 3,473 million yen in accumulated other comprehensive income, including 3,231 million yen in valuation difference on available-for-sale securities.

The resulting equity ratio was 58.7%.

(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 (“funds” hereinafter) stood at 17,103 million yen.

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 2,842 million yen, due mainly to profit before income taxes, impairment, and depreciation, which more than offset proceeds from sale of property, plant and equipment.

(Cash flows from investing activities)

Net cash provided by investing activities was 6,743 million yen, due mainly to sale of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities was 2,996 million yen, due mainly to repayments of long-term borrowings.

(4) Future outlook

A look at the future outlook shows that difficult business conditions are expected to continue, due to factors including the impacts of measures to restraint medical care costs such as annual revisions to NHI drug prices. In addition, while it is difficult to predict the timing of an end to the COVID-19 pandemic, progress is expected in some normalization of economic and social activities as vaccination spreads and measures to stop the spread of the virus advance. Under such conditions, the Group will continue to carry out business activities while giving top priority to the safety of stakeholders, as it advances initiatives for both the age of living with COVID-19 and the post-COVID-19 era.

The medium-term management plan that took effect in FY2021 aims to realize in 2025 the Groupwide numerical targets of 70 billion yen in net sales, an operating profit margin of 8%, and ROE of 8 percent. As described under “Operating Results for the Fiscal Year Ended March 31, 2022” while the plan got off to a smooth start in FY2021, Groupwide efforts will continue to realize its targets. In addition, in April 2021 the Group established an ESG Committee and identified 17 materiality topics for realizing both sustained growth and solutions to social challenges. From now on, by promoting solutions to ESG topics and efforts to achieve the Sustainable Development Goals (SDGs) through initiatives targeting identified materiality topics, we will both fulfill our corporate social responsibilities and contribute to realizing a sustainable society.

Full-year consolidated performance forecasts for the period ending March 2023 (from April 1, 2022 to March 31, 2023)

	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, 2023 (Forecast)	57,500	4,200	4,300	3,300
Year ended March 31, 2022	56,607	4,795	4,880	4,290
Increase (decrease) amount	892	(595)	(580)	(990)
Percentage increase (decrease)	1.6%	(12.4)%	(11.9)%	(23.1)%

Despite the impact of annual NHI drug price revisions, the Group’s main business of pharmaceutical drugs is projected to record consolidated net sales of 57,500 million yen (101.6% year on year), thanks in part to the contributions of growth in obstetrics and gynecology products such as RELUMINA. A look at profits shows projections of 4,200 million yen in operating profit (87.6% year on year), 4,300 million yen in ordinary profit (88.1% year on year), and 3,300 million yen in profit attributable to owners of parent (76.9% year on year), due to expectations of increases in costs accompanying normalization of business activities in addition to growth in R&D expenses.

(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 matters

such as internal reserves 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, we also recognize appropriate distribution of earnings reflecting revenue levels to be an important topic of management.

Based on the above considerations, and reflecting recent trends in business performance, we plan to pay year-end dividends of eight yen per share, up one yen per share, for the period under review. Combined with the interim dividends of seven yen per share already paid, this will result in annual dividends of 15 yen per share.

We plan to distribute earnings in the next period through an increase in annual dividends to 16 yen per share (interim and year-end dividends of eight yen per share, for a consolidated payout ratio of 13.8 percent).



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, 2022

Assets	
Current assets	
Cash and deposits	12,103
Accounts receivable – trade	14,482
Securities	5,000
Merchandise and finished goods	10,016
Work in process	457
Raw materials and supplies	4,587
Other	2,911
Allowance for doubtful accounts	(0)
<b>Total current assets</b>	<b>49,557</b>
Non-current assets	
Property, plant and equipment	
Buildings and structures	9,872
Accumulated depreciation	(5,311)
Buildings and structures, net	4,560
Machinery, equipment and vehicles	17,478
Accumulated depreciation	(15,746)
Machinery, equipment and vehicles, net	1,732
Land	4,249
Other	3,581
Accumulated depreciation	(3,187)
Other, net	393
<b>Total property, plant and equipment</b>	<b>10,936</b>
Intangible assets	
Marketing right	5,366
Other	816
<b>Total intangible assets</b>	<b>6,183</b>
Investments and other assets	
Investment securities	12,223
Deferred tax assets	2,376
Other	2,037
Allowance for doubtful accounts	(17)
<b>Total investments and other assets</b>	<b>16,620</b>
<b>Total non-current assets</b>	<b>33,739</b>
<b>Total assets</b>	<b>83,297</b>

(Millions of yen)

As of March 31, 2022

Liabilities	
Current liabilities	
Notes and accounts payable –trade	3,118
Electronically recorded obligations - operating	3,723
Short(Long)-term loans payable	300
Current portion of long-term loans payable	1,423
Accounts payable – other	4,867
Provision for bonuses	1,160
Allowance for bonuses for directors and company	28
Auditors	
Other	1,389
<b>Total current liabilities</b>	<b>16,011</b>
Non-current liabilities	
Long-term loans payable	12,323
Retirement benefit liabilities	5,730
Other	338
<b>Total non-current liabilities</b>	<b>18,393</b>
<b>Total liabilities</b>	<b>34,404</b>
Net assets	
Shareholders' equity	
Share capital	1,197
Capital surplus	1,867
Retained earnings	45,833
Treasury shares	(3,479)
<b>Total shareholders' equity</b>	<b>45,419</b>
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	3,231
Foreign currency translation adjustment	164
Remeasurements of defined benefit plans	77
<b>Total accumulated other comprehensive income</b>	<b>3,473</b>
<b>Total net assets</b>	<b>48,892</b>
<b>Total liabilities and net assets</b>	<b>83,297</b>

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

(Millions of yen)

	Fiscal year ended March 31, 2022
Net sales	56,607
Cost of sales	30,255
Gross profit	26,351
Selling, general and administrative expenses	21,556
Operating profit	4,795
Non-operating income	
Interest income	0
Dividend income	258
Other	120
Total non-operating income	379
Non-operating expenses	
Interest expenses	56
Loss on disposal of noncurrent assets	43
Inactive noncurrent assets expenses	155
Other	38
Total non-operating expenses	294
Ordinary profit	4,880
Extraordinary income	
Gain on sale of property, plant and equipment and intangible assets	9,425
Other	258
Total extraordinary income	9,683
Extraordinary losses	
Loss on impairment	5,953
Loss on devaluation of investment securities	1,151
Contract termination fee	870
Other	425
Total extraordinary losses	8,400
Profit (loss) before income taxes	6,163
Income taxes – current	983
Income taxes – deferred	890
Total income taxes	1,873
Net income	4,290
Profit (loss) attributable to owners of parent	4,290

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2022
Net income	4,290
Other comprehensive income	
Valuation difference on available-for-sale securities	406
Remeasurements of defined benefit plans, net of tax	121
Share of other comprehensive income of associates accounted for using equity method	164
Total other comprehensive income	692
Comprehensive income	4,982
Details	
Comprehensive income attributable to owners of the Parent	4,982

(3) Consolidated statement of changes in equity  
(Year ended March 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	1,197	928	41,790	(2,139)	41,777
Changes of items during period					
Increase/decrease by share transfers		1,165		(1,165)	—
Dividends of surplus		(199)	(199)		(398)
Profit attributable to owners of parent			4,290		4,290
Purchase of treasury stock				(318)	(318)
Disposal of treasury stock		(27)		144	117
Change of scope of equity method			(47)		(47)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	938	4,043	(1,339)	3,642
Balance at the end of current period	1,197	1,867	45,833	(3,479)	45,419

	Total 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 the beginning of the period	2,824	(47)	(44)	2,733	44,510
Changes of items during period					
Increase/decrease by share transfers					—
Dividends of surplus					(398)
Profit attributable to owners of parent					4,290
Purchase of treasury stock					(318)
Disposal of treasury stock					117
Change of scope of equity method		47		47	0
Net changes of items other than shareholders' equity	406	164	121	692	692
Total changes of items during period	406	211	121	739	4,381
Balance at the end of current period	3,231	164	77	3,473	48,892

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2022
<b>Cash flows from operating activities</b>	
Profit (loss) before income taxes	6,163
Depreciation	2,885
Impairment loss	5,953
Increase (decrease) in net defined benefit liability	(566)
Increase (decrease) in provision for environmental measures	(820)
Interest and dividend income	(258)
Interest expenses	56
Share of (profit) loss of entities accounted for using equity method	(18)
(Gain) loss on sales and retirement of property, plant and equipment	(9,419)
Loss (gain) on valuation of investment securities	1,151
Contract termination fee	870
Decrease (increase) in notes and accounts receivable – trade	(1,361)
(Increase) decrease in inventory	(687)
Increase (decrease) in notes and accounts payable – trade	412
Other	503
<b>Subtotal</b>	<b>4,863</b>
Interest and dividends received	292
Interest paid	(58)
Income taxes paid	(1,385)
Paid contract termination fee	(870)
<b>Cash flows from operating activities</b>	<b>2,842</b>
<b>Cash flows from investing activities</b>	
Purchase of property, plant and equipment	(579)
Proceeds from sales of property, plant and equipment	10,312
Purchase of intangible assets	(1,798)
Purchase of investment securities	(56)
Proceeds from sales of investment	11
Expenditure for acquisition of shares in subsidiaries	(53)
Other	(1,091)
<b>Cash flows from investing activities</b>	<b>6,743</b>
<b>Cash flow from financing activities</b>	
Net increase (decrease) in short-term loans payable	(50)
Repayments of long-term loans payable	(2,298)
Net decrease (increase) in treasury shares	(248)
Dividends paid	(398)
<b>Cash flow from financing activities</b>	<b>(2,996)</b>
Effect of exchange rate change on cash and cash equivalents	(0)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>6,589</b>
Cash and cash equivalents at beginning of period	10,514
<b>Cash and cash equivalents at end of period</b>	<b>17,103</b>

- (5) Notes to the consolidated financial statements  
 (Notes concerning the going-concern assumption)  
 Not applicable.

(Changes to accounting policies)  
 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 businesses are centered on manufacture and sale, import and export, etc. of pharmaceutical drugs and similar products. The Group's reporting segment is the pharmaceutical drugs business.

The pharmaceutical drugs business mainly manufactures and sells pharmaceutical drugs.

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

Current consolidated fiscal year (April 1, 2021 – March 31, 2022)

(Millions of yen)

	Reporting-segment	Others Note 1.	Total	Amounts of adjustments Note 2.	Amount recorded on consolidated financial statements Note 3.
	Pharmaceutical business				
Net Sales					
Sales to external customers	50,791	5,816	56,607	—	56,607
Intersegment sales and transfers	—	73	73	(73)	—
Total	50,791	5,890	56,681	(73)	56,607
Segment profit	5,088	360	5,449	(653)	4,795
Segment assets	42,910	3,048	45,959	37,338	83,297
Other items					
Depreciation and amortization	2,546	5	2,551	136	2,687



Notes:

1. The “Other” business segment consists of businesses not included in the reporting segments, including animal health drugs, clinical testing, and medical devices.
2. Details of amounts of adjustments are provided below.
  - (1) The adjustment of -653 million yen to segment profit 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 37,338 million yen to segment assets consists of companywide assets not allocated to individual business segments, which consist mainly of Company financial assets (cash and deposits, investment securities) not attributable to business segments and assets related to administrative sections.
  - (3) The adjustment of 136 million yen to depreciation consists of depreciation not allocated to individual business segments.
3. Segment profit is adjusted against operating profit on the consolidated financial statements.

Related information

Current consolidated fiscal year (April 1, 2021 – March 31, 2022)

1. Information on individual products and services

This information is omitted because the same information was 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	49,439	Pharmaceutical business

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

Current consolidated fiscal year (April 1, 2021 – March 31, 2022)

	Pharmaceutical business	Others	Total	elimination or corporate	Amount recorded on consolidated statements of income
Impairment loss	5,941	11	5,953	—	5,953

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, 2022
Net assets per share	1,734.80 yen
Earnings per share	151.22 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, 2022
Profit attributable to owners of parent	4,290 million yen
The amount which is not attributable to ordinary shareholders	—
Profit attributable to owners of parent related to common stocks	4,290 million yen
Average number of shares outstanding during the period	28,370 thousands of stocks

Shares of Company stock held in the trust account for the employee stock ownership program (58,000 shares in the current consolidated fiscal year) are included in treasury shares deducted from the total number of shares issued and outstanding at the end of the period for purposes of calculation of profit per share.

In addition, treasury shares (88,000 shares in the current consolidated fiscal year), which are deducted in calculation of average number of shares during the period, are included in calculation of profit per share.

(Significant subsequent events)

Not applicable.

4. Supplemental Material

(1) Sales of Main Products of ASKA Pharmaceutical Co., Ltd.

**Sales of Main Products(FY2021 Actual)**

ASKA Pharmaceutical Co., Ltd.

(Millions of yen)

Therapeutic category	Products	FY2020 Actual	FY2021 Actual	YOY(%)	FY2022 Forecast
Antihypertensive agent	CANDESARTAN*	12,329	12,394	0.5	10,840
Thyroid hormone	THYRADIN	7,209	7,499	4.0	7,714
GnRH antagonist	RELUMINA	5,709	7,334	28.4	9,779
LH-RH derivative	LEUPRORELIN	4,502	5,183	15.1	4,589
Poorly absorbable rifamycin antimicrobial agent	RIFXIMA	4,334	4,854	12.0	5,289
Dysmenorrhea agent	FREWELL	2,952	3,463	17.3	3,083
Antithyroid agent	MERCAZOLE	1,401	1,458	4.0	1,440
Antihypertensive agent	AMLODIPINE	1,294	1,073	(17.1)	963
Amyotrophic lateral sclerosis agent	RILUZOLE	1,083	938	(13.4)	904
Hyperlipidemic agents	LIPIDIL	1,096	919	(16.2)	673

\*Including compounding agents

(2) Product Pipeline

Pipeline (as of May 12, 2022)

ASKA Pharmaceutical Co., Ltd.

Stage	Development code	Generic name	Indication	Origin
Phase III	LF111	Drospirenone	Oral contraceptive	Insud Pharma (Spain)
Phase II /III	L-105	Rifaximin	Hepatic encephalopathy (pediatrics)	Alfasigma S.p.A (Italy)
Phase II *	AKP-009	Ludaterone Acetate	Benign prostatic hyperplasia	In-house Co-development: KYORIN Pharmaceutical Co., Ltd.
Phase I	L-105	Rifaximin	Crohn's disease	Alfasigma S.p.A (Italy)

\* The additional Phase I clinical trial conducted to confirm maximum efficacy was terminated based on the results of Phase IIa clinical trial.

Note: Changes from last time

Approval was obtained for partial modification of the items of approval of manufacture and sale of TAK-385 (Relugolix), which had been at the filing stage, for effects on endometriosis.

LF111 (Drospirenone), which had been at Phase I/II, now is at Phase III.

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

1. Capital Expenditures (Millions of yen)

	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023
Full year	766	657	(Forecast) <b>1,018</b>

2. Depreciation (Millions of yen)

	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023
Full year	3,305	2,885	(Forecast) <b>3,190</b>

3. Research and development expenses (Millions of yen)

	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023
Full year	4,709	3,598	(Forecast) <b>4,188</b>

Note: The results up to the fiscal year ended March 2021 are published by ASKA Pharmaceutical Co., Ltd.