

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

Hisamitsu Pharmaceutical Co., Inc.

Q1 FY02/2025 Results

This presentation material contains information that constitutes forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors including changes in material circumstances.

Hisamitsu Pharmaceutical Co., Inc.

Jul. 11th, 2024



- 1. Consolidated P&L**
- 2. Sales Results by Region**
- 3. Sales Results by Product**
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- 6. Reduction of Policy on Strategic Shareholdings**



1. Consolidated P&L - Comparison with the previous period performance -

Unit:¥ Million

	Actual performance for FY02/2024 Q1	Actual performance for FY02/2025 Q1	Change	Percentage Change	Progress Rate
Net sales	32,096	35,810	+3,714	+11.6%	23.6%
CoGS	13,378	15,005	+1,627	+12.2%	
as a % of sales	41.7%	41.9%			
SG&A costs	14,356	16,655	+2,298	+16.0%	
Sales promotion costs	2,684	3,286	+602	+22.4%	
Advertising costs	3,121	3,432	+310	+10.0%	
R&D costs	1,880	2,354	+474	+25.2%	
Others	6,670	7,581	+911	+13.7%	
Operating profit	4,361	4,149	-212	-4.9%	28.6%
Ordinary profit	5,713	5,562	-151	-2.7%	29.4%
Net profit	4,049	4,788	+738	+18.2%	30.3%
Exchange rate(¥/USD)	133.44	149.88			

Summary of FY02/2025 Q1

Increased sales and profits for two consecutive periods

■ Net Sales (+3,714)

Increase in overseas sales mainly due to Salonpas.
Increase in sales of ZICTHORU[®] Tapes and contributions from new products (APOHIDE[®] Lotion, S-Cup[®].)

■ CoGS (+1,627), % of Sales (+0.2 points)

Increase in manufacturing costs, drug price revisions, changes in sales composition

■ SG&A costs (+2,298)

Sales promotion costs : Xelstry[®] promotional costs at Noven Pharmaceuticals (USA)

Advertising costs : Aggressive investment for brand value enhancement

R&D costs : Early phase-related costs, Depreciation costs at SAGA Global Research Center

Others : Depreciation costs, personnel expenses(wage increases)

■ Operating profit (-212), Ordinary profit (-151)

Although there was a slight decrease in profits for the first quarter, an increase in profits is expected for the full year as planned

■ Net profit (+738)

Gains on sale of investment securities





2. Sales Results by Region

Unit:¥ Million

		Actual performance for FY02/24 Q1	Actual performance for FY02/25 Q1	change	percentage Change
Net sales		32,096	35,810	+3,714	+11.6%
Rx Business	Japan	13,120	13,081	-38	-0.3%
	Overseas	3,794	4,348	+553	+14.6%
	USA	2,491	3,407	+916	+36.8%
	Other regions	1,303	940	-363	-27.9%
OTC Business	Japan	4,735	6,462	+1,726	+36.5%
	Overseas	9,680	11,117	+1,436	+14.8%
	USA	4,792	5,646	+853	+17.8%
	Other regions	4,887	5,470	+582	+11.9%
Others	Japan	765	801	+35	+4.7%
Overseas Sales Ratio		42.0%	43.2%		

Sales Results by Region

■ Net Sales (+3,714)

<Rx Business Japan (-38)>

Increase in sales of ZICTHORU[®] Tapes
Sales of APOHIDE[®] Lotion (Launched June 2023)
Drug price revision, impact of generics

<Rx Business Overseas (+553)>

Increase in sales of female hormone preparations

<OTC Business Japan (+1,726)>

Sales of S-Cup[®] (Acquired from SSP CO., LTD in October 2023)

<OTC Business Overseas (+1,436)>

Increase in sales of Salonpas[®]

Overseas Sales Ratio 43.2% (+1.2%)



3. Sales Results by Product - Rx Business -

Unit:¥ Million

	Actual performance for FY02/25 Q1			Change			Percentage Change		
	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas
Rx Business	17,429	13,081	4,348	+514	-38	+553	+3.0%	-0.3%	+14.6%
MOHRUS® Tape products	5,433	5,367	65	-421	-487	+65	-7.2%	-8.3%	-
ZICTHORU® Tapes	1,756	1,756	-	+669	+669	-	+61.6%	+61.6%	-
HARUROPI® Tapes	1,075	1,075	-	+136	+136	-	+14.6%	+14.6%	-
MOHRUS® Pap products	794	794	-	-64	-64	-	-7.5%	-7.5%	-
FENTOS® Tapes	745	745	-	-168	-168	-	-18.4%	-18.4%	-
APOHIDE® Lotion	277	277	-	+50	+50	-	+22.4%	+22.4%	-
ESTRANA® Tapes	470	470	-	-13	-13	-	-2.7%	-2.7%	-
Others	2,379	2,332	47	-289	-38	-251	-10.8%	-1.6%	-84.1%
Combipatch® products	1,715	262	1,453	+179	-124	+304	+11.7%	-32.2%	+26.5%
Vivelle Dot® products	1,572	-	1,572	+76	-	+76	+5.1%	-	+5.1%
Minivelle® products	667	-	667	+10	-	+10	+1.7%	-	+1.7%
Xelstrym®	86	-	86	+86	-	+86	-	-	-
Secuado®	235	-	235	+90	-	+90	+62.1%	-	+62.1%
Daytrana®	213	-	213	+164	-	+164	+336.9%	-	+336.9%

<Japan>

ZICTHORU® Tapes



Expansion of awareness for systemic transdermal absorption agents.

APOHIDE® Lotion



Launched in June 2023, expansion of disease awareness.

MOHRUS® Tapes



Drug price revision, impact of generic products.

<Overseas>

Combipatch®



Increasing demand for female hormone preparations

Xelstrym®



Launch in June 2023, strengthening sales structure in the US



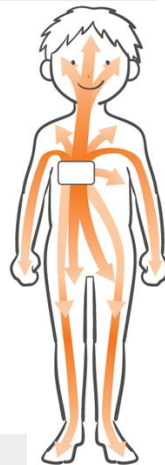
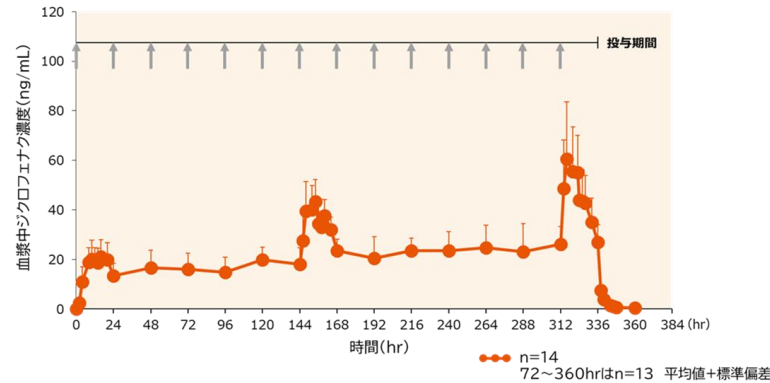
Summary

- Mar. 2021 Approved as a non-opioid transdermal sustained cancer pain treatment in Japan
- Jun. 2022 Approval for manufacturing and marketing approval of the additional indications of “low back pain, humeroscapular periarthritits, cervico-omo-brachial syndrome and tenosynovitis”

Systemic transdermal preparations

Maintaining a stable plasma drug concentration to continuously alleviate pain without the need for application to the painful area.

<Changes in plasma diclofenac concentration>

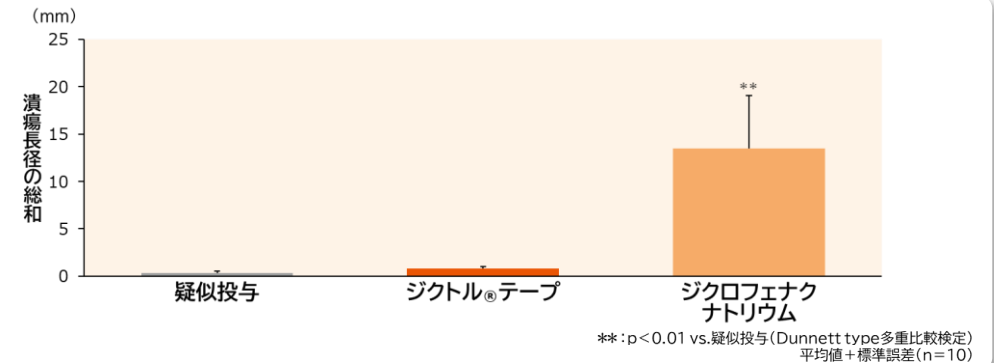


The drug absorbed through the skin is delivered to the affected area via systemic circulation, where it exerts its effects on inflammation and pain.

Reduction of gastrointestinal disorders can be expected.

Non-clinical trials: Gastric mucosal damage (rats) (reference information)

No difference was observed in the sum of the long diameters of ulcers treated with ZICTHORU® Tapes compared to sham administration. The sum of the long diameters of ulcers treated with oral diclofenac sodium was significantly increased compared to sham administration.



【試験方法】

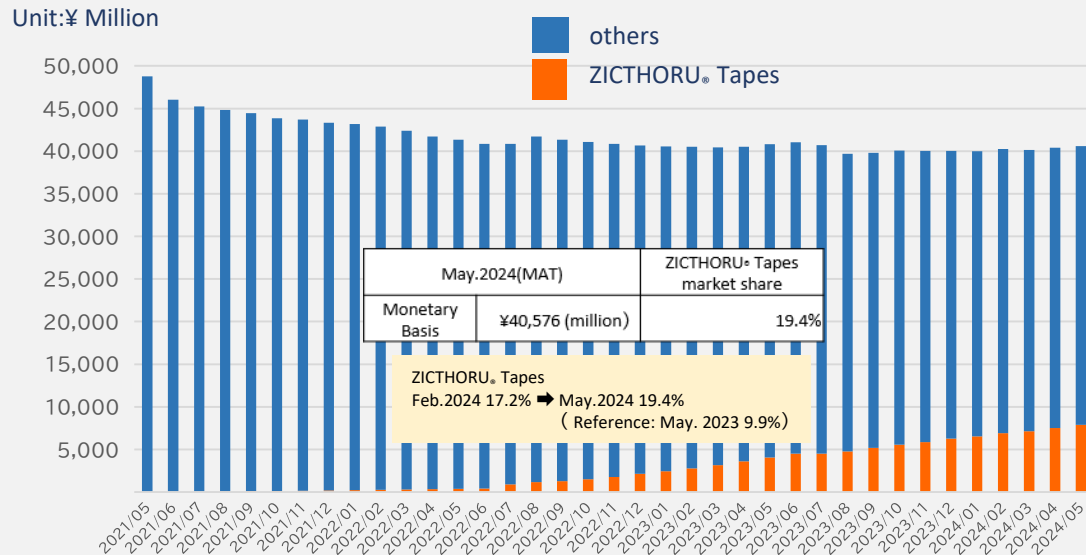
方法:絶食下の5週齢のSD系雄性ラットに本剤を背部に24時間単回経皮投与及びジクロフェナクナトリウムを8時間ごと3回経口投与し、投与開始後24時間に胃を摘出、肉眼的に胃粘膜を観察し、発生した潰瘍の長径(mm)を個体ごとに合計し評価した。なお、ストレス条件を均一化するため、全ての個体に経皮投与の保定操作を行い、疑似投与群及び本剤投与群には注射用水(経口投与媒体)を8時間ごと3回経口投与した。また、本試験のジクロフェナクナトリウムの経口投与量はAUC₀₋₂₄が本剤と等しくなるように設定した。



Sales Status

- Q1 FY2025 Revenue: 1.756 billion yen (up 61.6% from the previous term)
- As of May 2024, market share was 19.4% (up 9.5% from the previous year on a rolling annual total).
- Information on the features of “transdermal systemic drugs” was provided through academic conferences and lectures.

Market Trends / Amounts (in monetary terms) Non-steroidal anti-inflammatory drugs, anti-rheumatic drugs※



Patients suitable for prescription of ZICTHORU® Tapes

• Patients for whom oral administration is not preferable.



• Patients who want to reduce oral medication while taking other drugs.



• Patients with pain in multiple areas



※ Based on our own calculations using IQVIA JPM(2020/6-2024/5) Copyright © 2024 IQVIA.Reprinted with permission

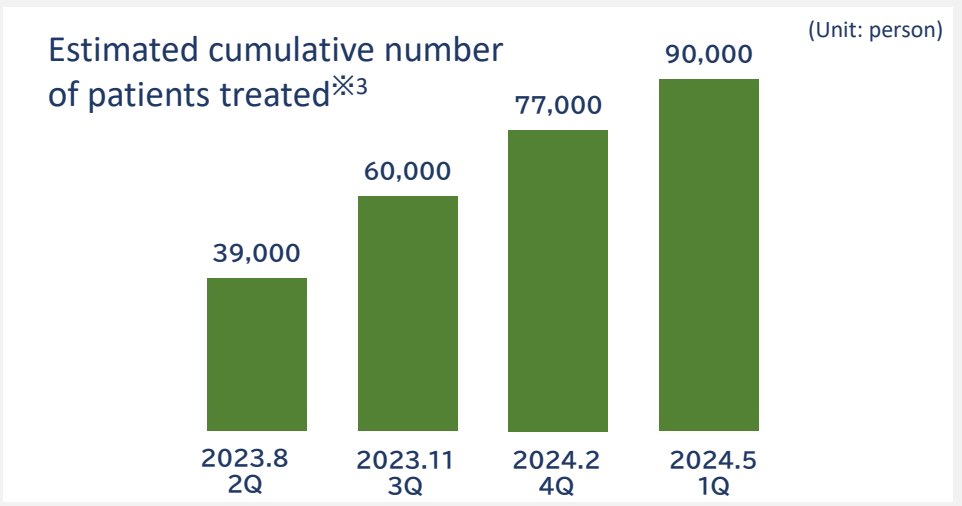


■ Primary palmar hyperhidrosis treatment drug

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

■ Sales Status

- Q1 FY 02/2025 sales revenue : 277 million yen (Product launched in June)
- Cumulative Administration: By May 2024, approximately 90,000 people have been administered the drug
- June 2024: Restrictions on the medication period lifted
- Providing information through academic conferences, lectures, etc.
- Continuing disease awareness activities *June 2024: Commercials begin airing



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



※1 Japanese Dermatological Association Guideline: Primary Focal Hyperhidrosis Treatment Guideline, 2023 Revision
 ※2 Fujimoto T, et al.: J Dermatol 2013; 40(11): 886-90
 ※3 Proprietary Data Compilation: Based on IQVIA Rx(2023/06-2024/05) Copyright © 2024 IQVIA. Reprinted with permission

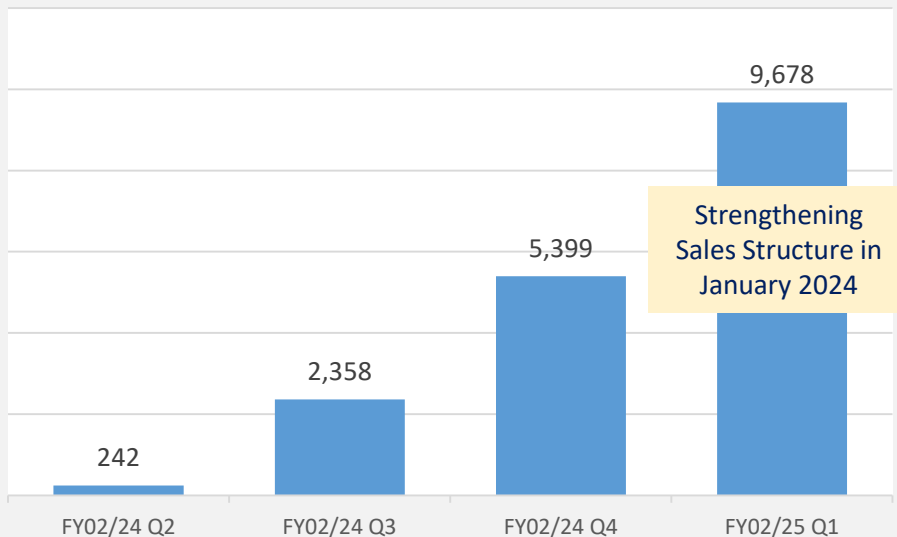


■ Sales Status * US ADHD Market Size: Approximately \$10 Billion

- Q1 FY 02/2025 sales revenue : 86 million yen (Product launched in June)
- Enhanced Sales Structure and Increased Prescription Volume since January 2024
- Optimization of Co-Pay Card Usage

■ Prescription Trends

< Trends in the number of prescriptions* >



< Strengths of Adhesive Patches >

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

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

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



3. Sales Results by Product - OTC Business -

Unit:¥ Million

	Actual performance for FY02/25 Q1			Change			Percentage Change		
	Total	Japan	Overseas	Total	Japan	Overseas	Total	Japan	Overseas
OTC Business	17,579	6,462	11,117	+3,163	+1,726	+1,436	+21.9%	+36.5%	+14.8%
Salonpas® products	11,791	2,186	9,605	+1,182	-37	+1,219	+11.1%	-1.7%	+14.5%
Feitas® products	892	877	15	+7	-4	+11	+0.9%	-0.5%	+360.4%
Bye Bye FEVER® products	867	9	857	-49	-81	+31	-5.4%	-89.1%	+3.8%
S-Cup® products	1,344	1,344	-	+1,344	+1,344	-	-	-	-
Allegra® FX	535	535	-	+168	+168	-	+45.8%	+45.8%	-
Salonsip® products	698	336	362	+113	-45	+159	+19.5%	-11.9%	+78.7%
Air® Salonpas® products	400	178	221	+42	-51	+94	+11.9%	-22.5%	+74.2%
Butenalock® products	503	502	0	-121	-122	+0	-19.4%	-19.5%	-
Others*	545	491	54	+476	+556	-80	+688.1%	-854.1%	-59.7%

*Includes amounts recorded as refund liabilities

< Japan >		< Overseas >	
S-Cup®	↑ October 2023, acquired from SSP CO., LTD, new packaging, new commercial broadcast.	Salonpas®	↑ Active promotional activities
Salonpas®	↓ Optimization of distribution inventory* Year-on-year increase in store sales		

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



Salonpas® Named the World's No. 1 OTC Topical Analgesic Patch Brand* for the Eighth Consecutive Year

- Salonpas® certified as the World's No. 1 OTC Topical Analgesic Patch Brand for the 8th consecutive year since 2016.
- Hisamitsu Pharmaceutical certified as the holder of the world's largest share in the corresponding market category for the 7th consecutive year since 2017.



NAKATOMI Kazuhide
(President and CEO, Hisamitsu Pharmaceutical Co., Inc.)

Sean Kreidler
(Head of Research, Euromonitor International)

*Base on research by Euromonitor International





New image character for Salonpas®/S-Cup®/Butenalock®



HIROSE Alice appointed as new image character for Salonpas®!



URL : <https://youtu.be/oMCG5re6anI>



MUKAI Osamu appointed as new image character for S-Cup®!



URL : <https://youtu.be/x60JZuku-ko>



Crayon Shin-chan appointed as new image character for Butenalock®!



URL : <https://youtu.be/-6yWK5UcCa8>



©U/F・S・A・A



Launch of renewal package “Nobinobi®Salonsip®Fit.®”



Nobinobi® Salonsip® Fit.



Nobinobi® Salonsip®
Fit.α(Odorless type)



Nobinobi® Salonsip®
Fit.H(Hot Type)



当社従来品に比べて
薬袋のプラスチック
使用量を減らしました。

Separate label

Integrated label



Improved ease of
removal



- Reduction of package material approximately 3.7%
- Reduction of material waste approximately 0.3t/year

■ Product Information

<https://www.hisamitsu.info/nobisalo/>





TEAM JAPAN Support Campaign

【Date】 July 1, 2024 - August 31, 2024

がんばれ!ニッポン! / Hisamitsu TEAM JAPAN 全力応援キャンペーン

気になるそこに、手当てのチカラを。
TEAM JAPAN ネクストンボールアスリート

体操 / 体操競技 北園 文琉
レスリング 藤波 朱理
バスケットボール 東藤 なな子
水泳 / 競泳 本多 灯

サロンパス®公式Xアカウントのフォロー&リポストで

GO. TEAM JAPAN!
さあ! 全力発揮。

総計 **500** 名様に
豪華景品が当たる!

本キャンペーンには商品購入の必要はございません。

さあ! 全力発揮。気になるそこに、手当てのチカラを。
Hisamitsu
TEAM JAPAN
TEAM JAPAN フォロワーキャンペーン
(本キャンペーンは、期間限定の景品、景品抽選ポスター)

【Contents】 Follow the official Salonpas® X account and post a message of support to TEAM JAPAN by reposting or quoting the account.



Campaign site⇒<https://teatenochikara.hisamitsu.info/01/campaign/>



Overseas OTC Business FY02/2025 New Products

New Release	Category	Region	Items
Mar.2024- May.2024	OTC Business	Africa	3
	Others*	Asia	1
	OTC Business		3
	Others*		1
	Total		4

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





4. R&D Pipeline

	Stage	Theme	Target	Dosage Form	Characteristics	Next Step
1	Approved	HARUROPI [®] PATCH (Haruropi [®] Tapes)	Asia	Patch	Parkinson's disease	To be launched In FY25
2	Phase3	HP-5000	USA	Patch	Osteoarthritis of the knee	Under consideration
3	Phase2	HP-6050	JPN	Microneedle	Delirium, Psychomotor agitation and Irritability	Phase 2b start in FY2025

※Yellow-highlighted parts are changes from the previous announcement made on Apr.11th,2024



■ Phase II a clinical study of HP-6050 in patients with delirium, psychomotor agitation and irritability

< Results >

Efficacy of HP-6050 and no side effects that could cause major concerns in development was showed.

< Future prospects >

Aiming to initiate a Phase II b clinical study during FY 2025

※Drugs indicated for delirium, psychomotor agitation and irritability are not yet on the market. (in Japan)

■ About Delirium

< Incidence rate >

Organic brain disorders, 10-30% of hospitalized dementia patients

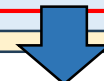
< Risks >

Falls (difficulty in predicting behavior)

< Current treatment >

Oral or injectable agents (off-label)

Delirium	
【Primary Disease】 • Brain Disease • Dementia	【Types】 • Hypoactive (lethargy, somnolence) • Hyperactive (agitation, hallucinations, delusion) • Mixed (Hypoactive/Hyperactive)
【Onset situations】 • Deterioration of general condition • Environmental changes due to hospitalization • After surgery	



HP-6050 is expected to be a simple and safe treatment for hyperactive or mixed delirium

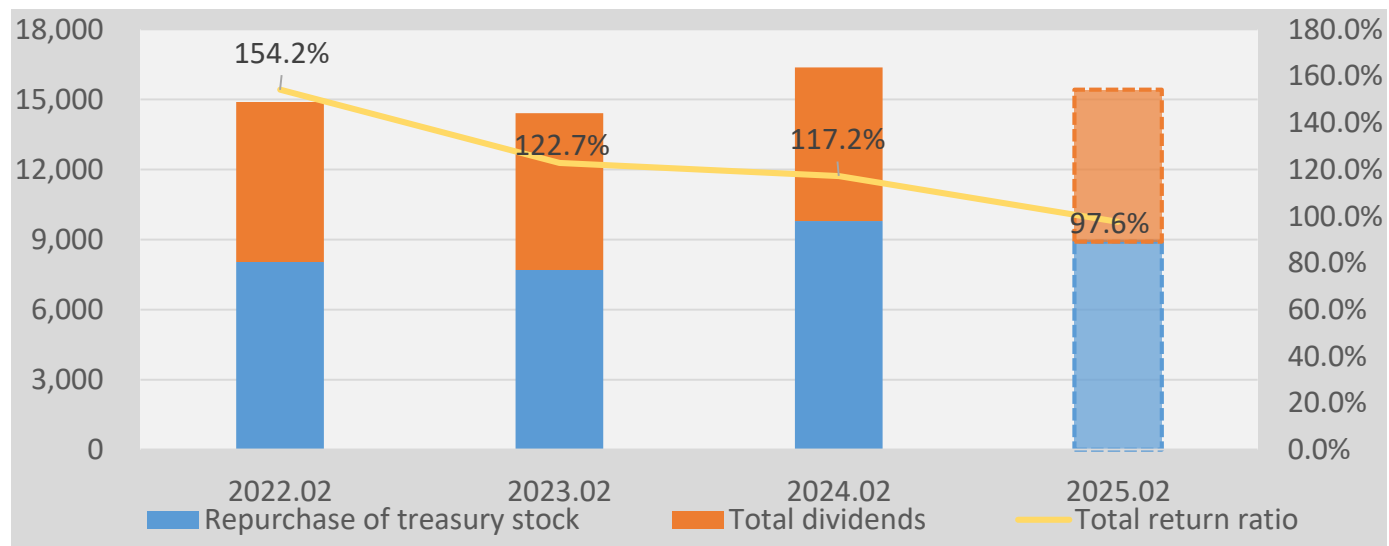


5. Promoting capital policy

(1) May 24, 2024: Acquisition of treasury stock through off-exchange trading (TosTNet-3)

- Reason: To improve capital efficiency and further return profits to shareholders, as well as to implement a flexible capital policy in response to changes in the management environment.
- Contents:
 - Type of shares: Our common stock
 - Number of shares: 2.4 million shares
 - Total acquisition amount: 8.901 billion yen

(2) Total return ratio





6. Reduction of Policy on Strategic Shareholdings

< Policy on Strategic Shareholdings >

- In May every year, The Board of Directors evaluates whether it is reasonable to continue respective strategic shareholdings based on comprehensive consideration of qualitative verification such as the status of transactions and quantitative verification such as economic rationality based on benefits from transactions and dividends of each stock.
- Based on the results of the evaluation, the Company will reduce strategic shareholdings that it deems unreasonable to hold, through ongoing discussions with the issuing companies.

< Target for reducing Strategic Shareholdings >

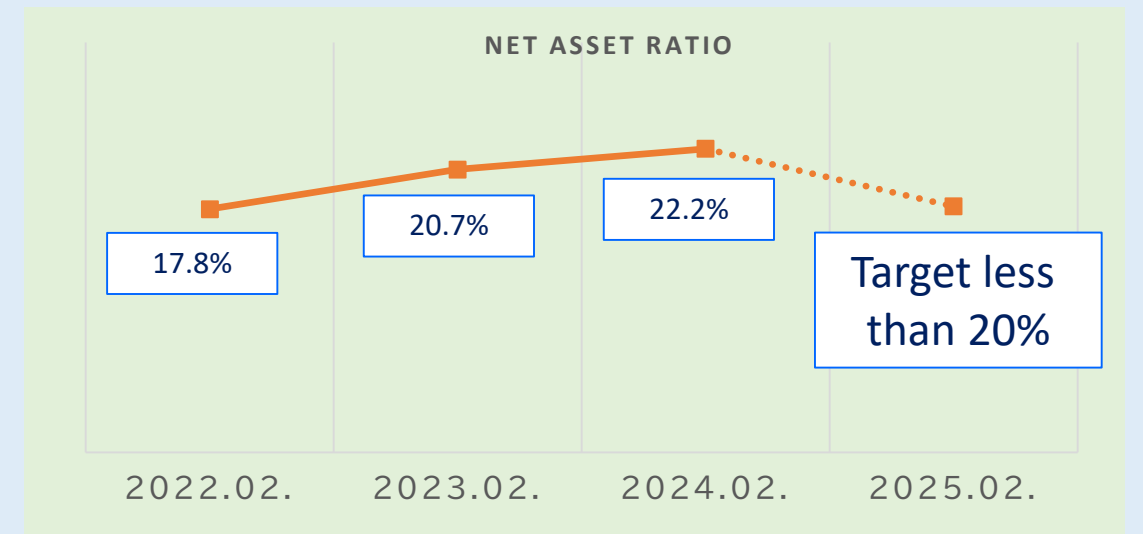
■ objective

By the end of February 2025
Reduce policy Strategic Shareholdings to less than 20% of consolidated net assets

The cash generated will be used to invest in future growth.

■ Sales record (as of the end of May 2024)

Approximately 1.6 billion yen



【Source】

Nikkei Stock Average

2022.02.
¥ 26,526.82

2023.02.
¥ 27,445.56

2024.02.
¥ 39,166.19



Our commitments originate from each individual's determination to "start something good for ecology (eco)!"

Hisamitsu Pharmaceutical has designed the "HELLO! eco!" mark as a symbol of its environmental activities, and products that have met the ecology standards that our company has established will display the "HELLO! eco!" mark sequentially.

Hisamitsu.

