

Appendix to the Consolidated Financial Summary FY2023 Second-Half

May 10th, 2024

JCR Pharmaceuticals Co., Ltd.

[Securities code]4552, Prime. TSE

Note : This document has been translated from a part of 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.

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Consolidated Financial Results

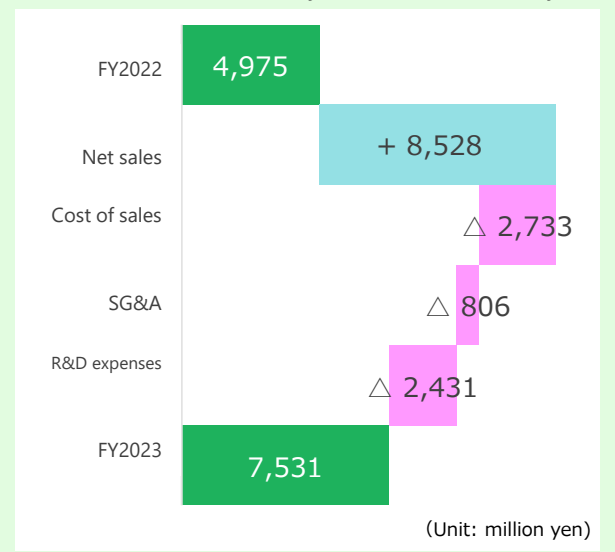
(Unit: million yen)



Consolidated	FY2022	FY2023				
	results	results	Year-on-year		Full-year forecast (Revised)	Progress rate
			Difference	Ratio		
Net sales	34,343	42,871	+8,528	+24.8%	45,400	94.4%
Cost of sales	8,886	11,620	+2,733	+30.8%	12,400	93.7%
Gross profit	25,456	31,251	+5,794	+22.8%	33,000	94.7%
Selling, general and administrative expenses	20,480	23,719	+3,238	+15.8%	22,500	105.4%
SG&A	11,678	12,484	+806	+6.9%	12,800	97.5%
R&D expenses	8,802	11,234	+2,431	+27.6%	9,700	115.8%
Operating profit	4,975	7,531	+2,556	+51.4%	10,500	71.7%
Non-operating income	541	1,056	+515	+95.2%	—	—
Non-operating expenses	99	1,324	+1,225	+1236.6%	—	—
Ordinary profit	5,418	7,264	+1,846	+34.1%	10,000	72.6%
Extraordinary income	10	0	(9)	(94.0)%	—	—
Extraordinary losses	16	20	+4	+26.3%	—	—
Profit before income taxes	5,412	7,244	+1,831	+33.8%	—	—
Income taxes	1,625	1,707	+82	+5.1%	—	—
Profit attributable to owners of parent	3,772	5,507	+1,735	+46.0%	7,300	75.4%
(Reference) R&D expenses before deducting contribution amount by collaborative R&D destinations	9,480	12,787	3,307	+34.9%	11,700	109.3%

◆ Operating income 7,531 million yen

Year-on-year: +2,556 million yen



Item	FY2022	FY2023	YoY Ratio
Net sales			
Cost of sales ratio	25.9%	27.1%	+1.2%
Cost of sales ratio *Excluding Income from contractual payment	32.0%	32.8%	+0.8%
R&D expense ratio	25.6%	26.2%	+0.6%
Operating profit ratio	14.5%	17.6%	+3.1%

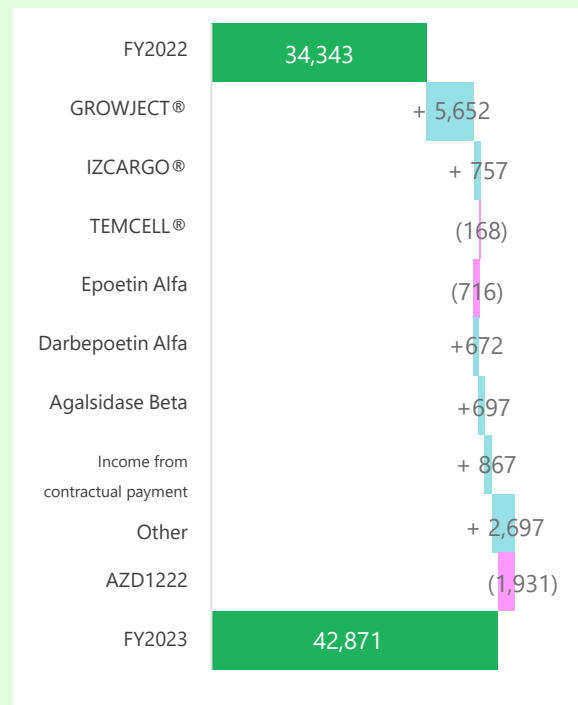
Breakdown of Net Sales – Consolidated

(Unit: million yen)



	FY2022	FY2023				
	results	results	Year-on-year		Full year forecast (Revised)	Progress rate
			Difference	Ratio		
GROWJECT®	12,261	17,913	+5,652	+46.1%	19,500	91.9%
IZCARGO®*	4,414	5,171	+757	+17.2%	5,200	99.4%
TEMCELL® HS Inj.	3,404	3,236	(168)	(4.9)%	3,300	98.1%
Treatments for renal anemia	4,696	4,652	(44)	(0.9)%	5,000	93.0%
Epoetin Alfa BS Inj. [JCR]	2,710	1,994	(716)	(26.4)%	2,200	90.6%
Darbepoetin Alfa BS Inj. [JCR]	1,986	2,658	+672	+33.8%	2,800	94.9%
Agalsidase Beta BS I.V. Infusion [JCR]	964	1,661	+697	+72.2%	1,400	118.6%
Total Core Products	25,741	32,636	+6,895	+26.8%	34,400	94.9%
Income from contractual payment	6,546	7,413	+867	+13.3%	8,100	91.5%
Other*	123	2,820	+2,697	+2192.7%	2,900	97.2%
AZD1222 stock solution	1,931	—	(1,931)	(100.0)%	—	—
Total Net Sales	34,343	42,871	+8,528	+24.8%	45,400	<u>94.4%</u>

◆ **Net sales 42,871 million yen**
Year-on-year; +8,528 million



(Unit: million yen)

Financial Status - Consolidated



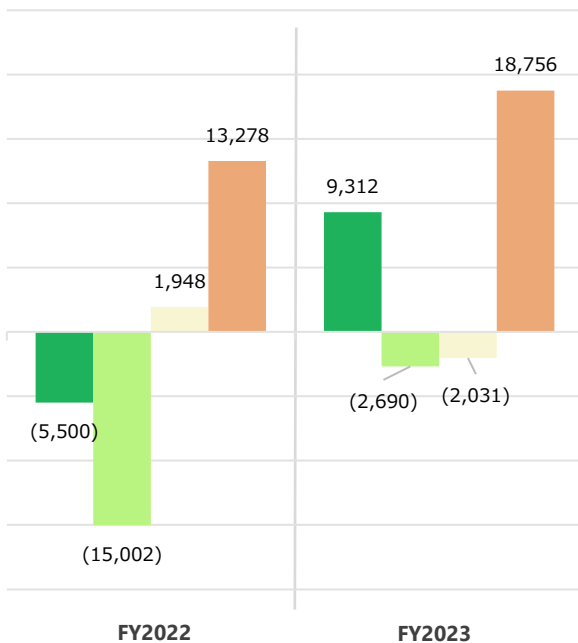
(Unit: million yen)

	End-Mar. 2023	End-Mar. 2024	Change • Main Increase/decrease		End-Mar. 2023	End-Mar. 2024	Change • Main Increase/decrease
Current assets	47,802	57,581	Total +9,779 <ul style="list-style-type: none"> • Cash and deposits +5,477 • Accounts receivable - trade, and contract assets +3,797 • Inventories +2,419 	Current liabilities	35,762	30,135	Total (5,626) <ul style="list-style-type: none"> • Income taxes payable +1,623 • Short-term borrowings (7,850)
				Non-current liabilities	6,761	15,615	Total +8,853 <ul style="list-style-type: none"> • Long-term borrowings +8,850
Non-current assets	47,135	44,644	Total (2,490) <ul style="list-style-type: none"> • Property, plant and equipment (2,640) 	Total liabilities	42,523	45,750	Total +3,226
				Total net assets	52,413	56,475	Total +4,061
Total	94,937	102,226	+7,288	Total	94,937	102,226	+7,288

Equity ratio	54.2%	54.2%
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Cash Flows - Consolidated

- Operating Activities
- Investing Activities
- Financing Activities
- Cash and Cash Equivalents at End of Period



(Unit: million yen)	FY2022	FY2023	Year-on-year
Profit before income taxes	5,412	7,244	+1,831
Depreciation	1,997	3,197	+1,199
Decrease (increase) in trade receivables and accounts receivable – other	3,269	(3,390)	(6,659)
Decrease (increase) in inventories	(3,877)	(2,437)	+1,439
Increase (decrease) in trade payables and accounts payable – other	(2,162)	(281)	+1,880
Income taxes paid	(8,279)	1,982	+10,261
Other	(1,859)	2,998	+4,857
Operating Activities	(5,500)	9,312	14,813
Capital investment(property,plant and equipment)	(8,560)	(2,096)	+6,463
Purchase of shares of subsidiaries and associates	(6,717)	(600)	+6,117
Other	275	5	(269)
Investing Activities	(15,002)	(2,690)	+12,312
Borrowings	4,700	500	(4,200)
Dividends paid/ treasury shares	(2,729)	(2,485)	+244
Other	(22)	(46)	(24)
Financing Activities	1,948	(2,031)	(3,980)
Net increase (decrease) in cash and cash equivalents	(17,454)	5,477	+22,932
Cash and Cash Equivalents at End of Period	13,278	18,756	+5,477

	FY2022	FY2023
Depreciation	1,997	3,197
Capital investment (after subsidy deduction)	4,330	2,096

Consolidated Financial Results FY2024 forecast



(Unit: million yen)

Consolidated	FY2023	FY2024(forecast)		
	results	forecast	Year-on-year	
			Difference	Ratio
Net sales	42,871	41,300	(1,571)	(3.7)%
Cost of sales	11,620	10,400	(1,220)	<u>(10.5)%</u>
Gross profit	31,251	30,900	(351)	<u>(1.1)%</u>
Selling, general and administrative expenses	23,719	25,500	+1,781	+7.5%
SG&A	12,484	12,500	+16	+ 0.1%
R&D expenses	11,234	13,000	+1,766	+ 15.7%
Operating profit	7,531	5,400	(2,131)	<u>(28.3)%</u>
Ordinary profit	7,264	4,600	(2,664)	<u>(36.7)%</u>
Profit attributable to owners of parent	5,507	3,700	(1,807)	<u>(32.8)%</u>
(Reference) R&D expenses before deducting contribution amount by collaborative R&D destinations	12,787	15,062	+2,275	+17.8%

Net sales	FY2023	FY2024 (forecast)	YoY Ratio
Cost of sales ratio	27.1%	25.2%	(1.9)%
Cost of sales ratio *Excluding Income from contractual payment	32.8%	31.3%	(1.4)%
R&D expense ratio	26.2%	31.5%	+5.3%
Operating profit ratio	17.6%	13.1%	(4.5)%

On 13 May 2024, the year-on-year ratio changes in the cost of sales, gross profit, operating profit, ordinary profit and profit attributable to owners of parent/Profit were corrected. Corrections are indicated by underlining.

Breakdown of Net Sales – Consolidated FY2024 forecast



(Unit: million yen)

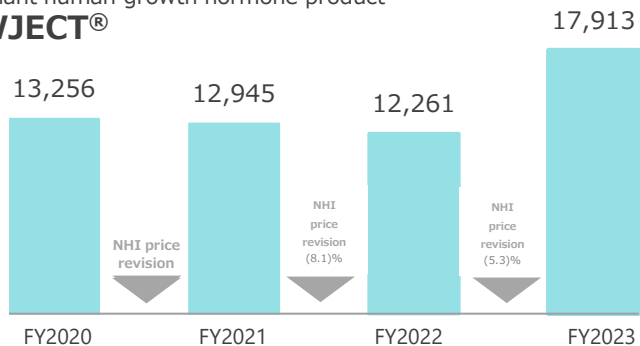
	FY2023	FY2024(forecast)		
	results	forecast	Year-on-year	
			Difference	Ratio
GROWJECT®	17,913	18,300	+387	+2.2%
IZCARGO®*	5,171	<u>5,700</u>	<u>+529</u>	<u>+10.2%</u>
TEMCELL® HS Inj.	3,236	2,800	(436)	(13.5)%
Treatments for renal anemia	4,652	4,200	(452)	(9.7)%
Epoetin Alfa BS Inj. [JCR]	1,994	2,200	+206	+10.3%
Darbepoetin Alfa BS Inj. [JCR]	2,658	2,000	(658)	(24.8)%
Agalsidase Beta BS I.V. Infusion [JCR]	1,661	1,100	(561)	(33.8)%
Total Core Products	32,636	<u>32,100</u>	<u>(536)</u>	<u>(1.6)%</u>
Income from contractual payment	7,413	8,100	+687	+9.3%
Other*	2,820	1,100	(1,720)	(61.0)%
Total Net Sales	42,871	<u>41,300</u>	<u>(1,571)</u>	<u>(3.7)%</u>

Net Sales Trends by Product

(Unit: million yen)

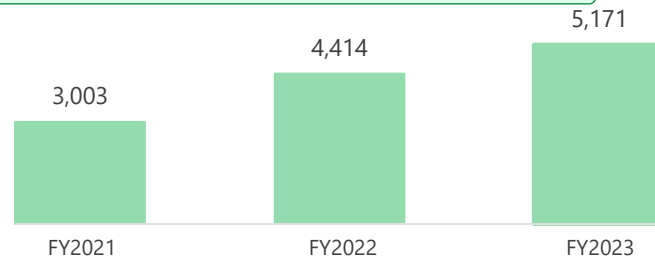


Recombinant human growth hormone product
GROWJECT®



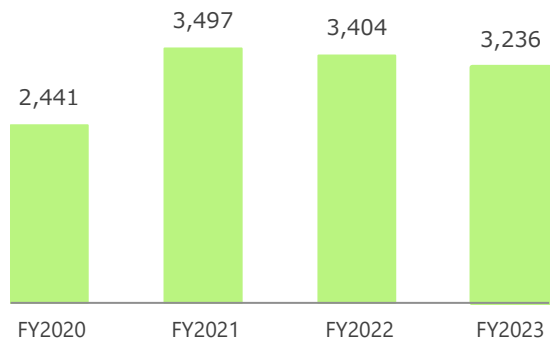
Recombinant therapeutic enzyme for mucopolysaccharidosis II (MPS II)
IZCARGO® I.V. infusion 10mg

From April 24, 2023: Co-promotion with Sumitomo Pharma Co., Ltd.

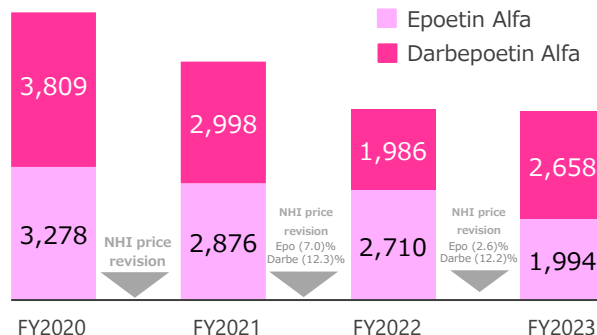


*Excluding sales of IZCARGO® related to NPS

Human somatic stem cell-processed products
Human (allogenic) bone marrow-derived mesenchymal stem cells
TEMCELL® HS Inj.

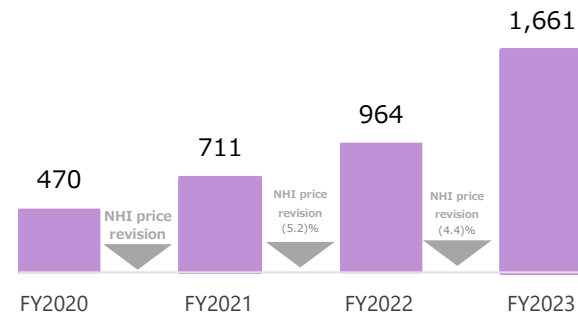


Recombinant erythropoietin product
Epoetin Alfa BS Inj. [JCR]
Long-acting erythropoiesis-stimulating agent
Darbepoetin Alfa BS Inj. [JCR]

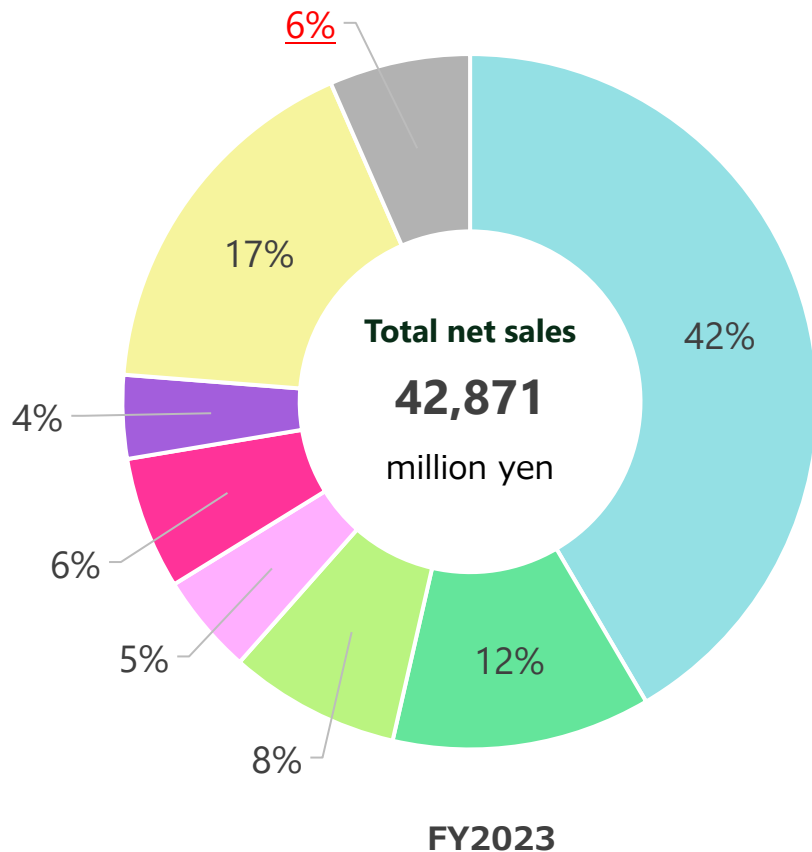


Recombinant treatment for Fabry disease
Agalsidase Beta BS I.V. Infusion [JCR]

Apr. 2022: Sales transferred to Sumitomo Pharma



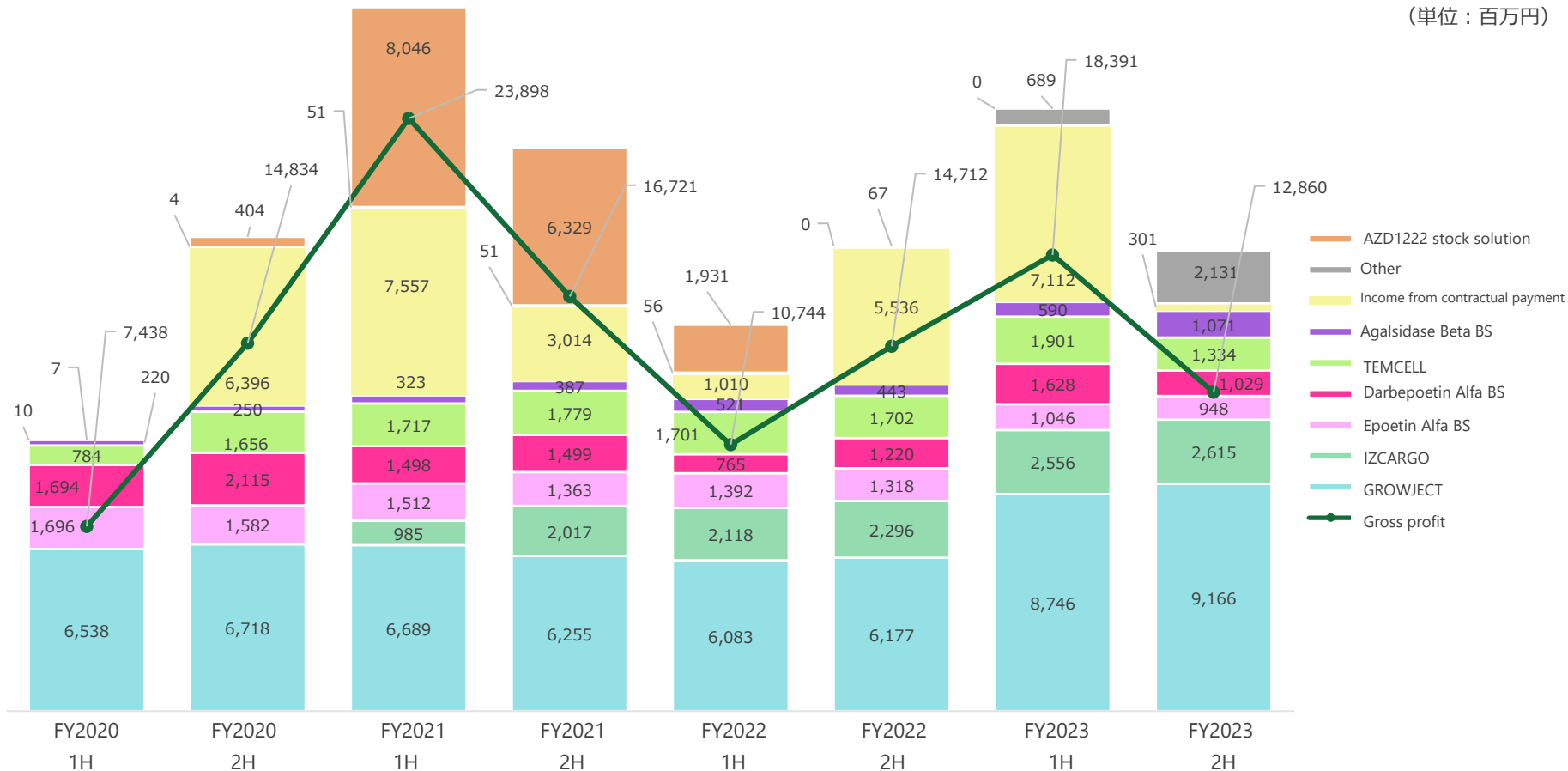
Composition of Net Sales by Item



● GROWJECT®	17,913 million yen
● IZCARGO®	5,171 million yen
● TEMCELL®HS Inj.	3,236 million yen
● Epoetin Alfa BS Inj. [JCR]	1,994 million yen
● Darbepoetin Alfa BS Inj. [JCR]	2,658 million yen
● Agalsidase Beta BS I.V. Infusion [JCR]	1,661 million yen
● Income from contractual payment	7,413 million yen
● Other	2,820 million yen

*Excluding sales of IZCARGO® related to NPS

Trends in Sales Breakdown - Consolidated



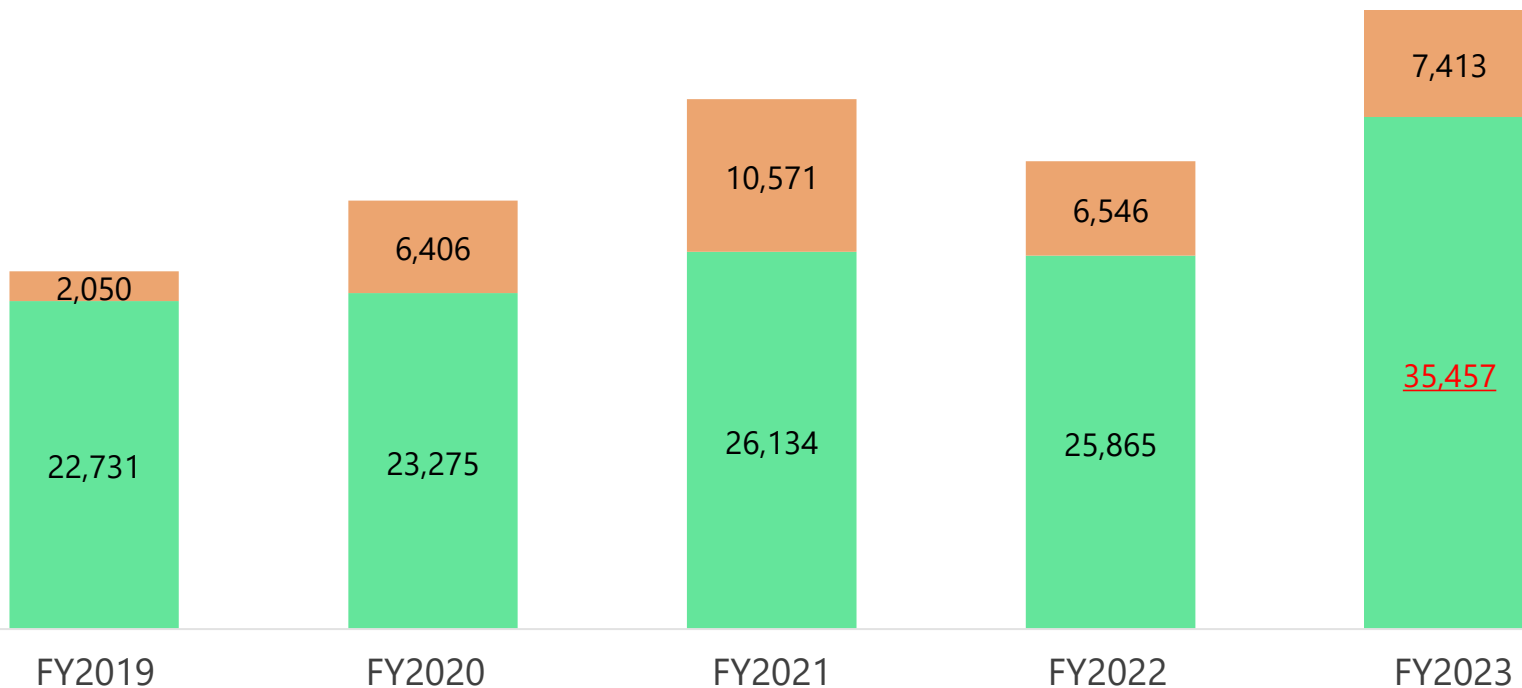
Net Sales Trends (Excluding AZD1222 Stock Solution)



■ Products* sales ■ Income from contractual payment

(Unit: million yen)

* Products: GROWJECT, IZCARGO, treatment for renal anemia, TEMCELL, Agalsidase Beta, others

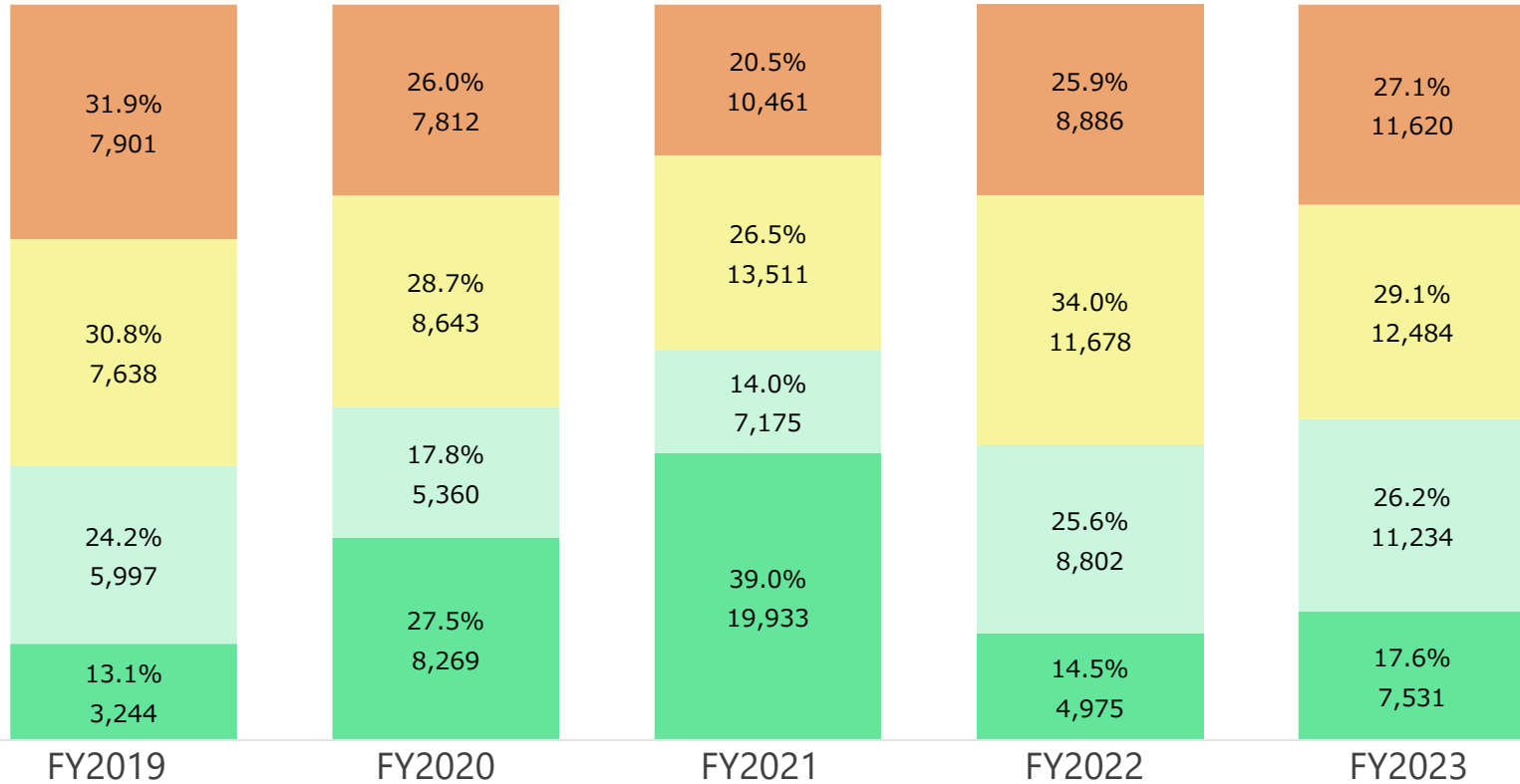


Trends in Composition Ratio of Cost/Expense



(Unit: million yen)

■ Operating profit
 ■ R&D expenses
 ■ SG&A
 ■ Cost of sales



Above
Rate of sales (%)

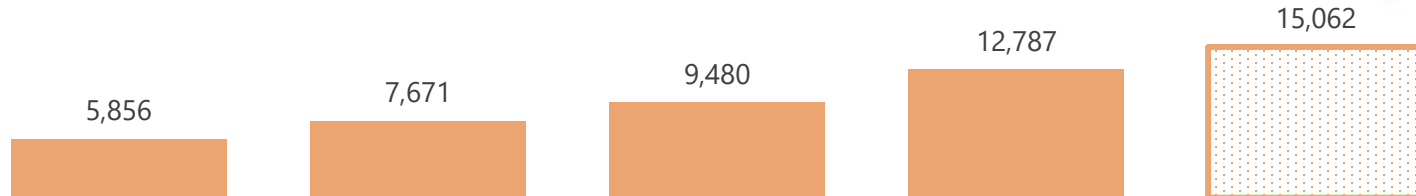
Below
Amount of money
(Million yen)

Correlation between R&D Expenses (before Deducting) and Main R&D Pipeline

(Unit: million yen)



- Process development/
Non-clinical
- Clinical trial
- ★ Filed an application
- Approved



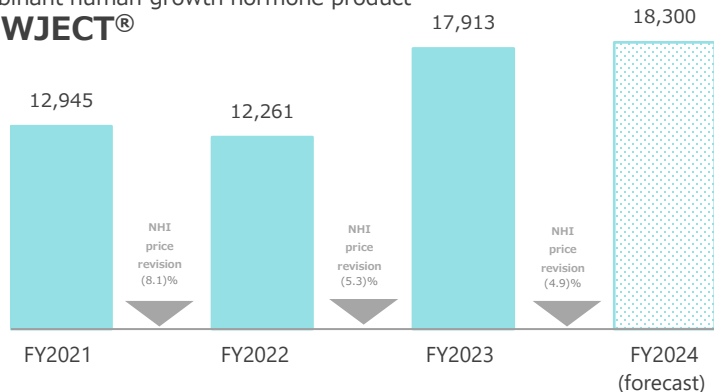
	FY2020	FY2021	FY2022	FY2023	FY2024 (forecast)
JR-141 (Japan)	■ ★ ○				
JR-141 (Brazil)	■ ★		Aug. 2022: Approval denied		
JR-141 (Global)		■	■	■	■
JR-171 (Global)	■ ■	■	■	■	■
JR-162	■	■	■	■	■
JR-441	■	■	■	■	■
JR-443	■	■	■	■	■
JR-446	■	■	■	■	■
JR-479		■	■	■	■
JR-471			■	■	■
JR-401X	■	■	■ ★	○	
JR-142	■	■	■	■	■
JR-031HIE	■	■	■	■	■
JTR-161/JR-161	■	■	Apr. 2022: Joint research completed		

Net Sales Trends by Product FY2024 Forecast

(Unit: million yen)

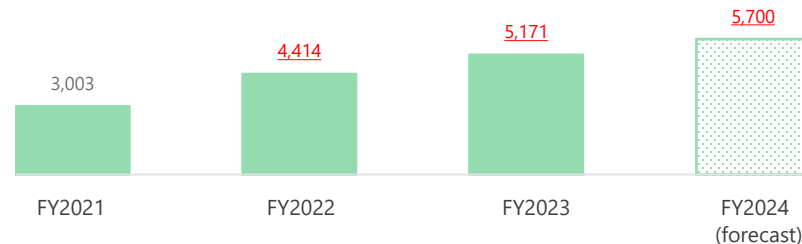


Recombinant human growth hormone product
GROWJECT®



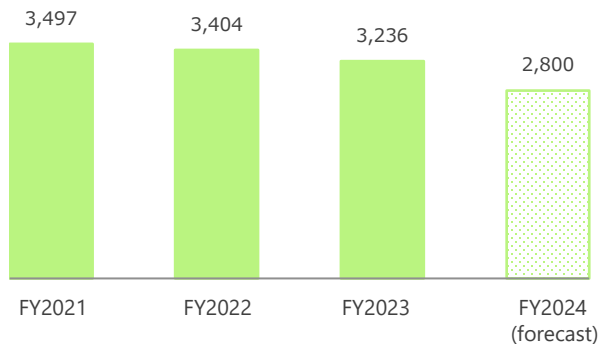
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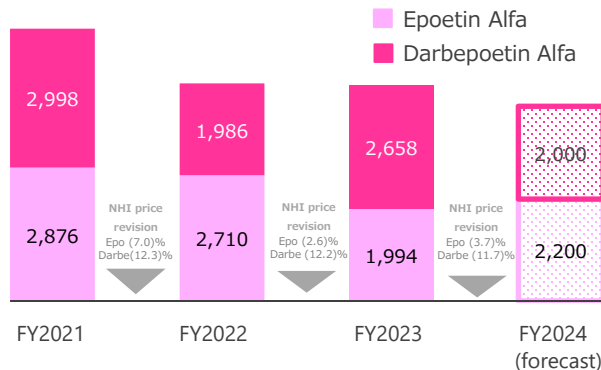


*Excluding sales of IZCARGO® related to NPS

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Human (allogenic) bone marrow-derived mesenchymal stem cells
TEMCELL® HS Inj.

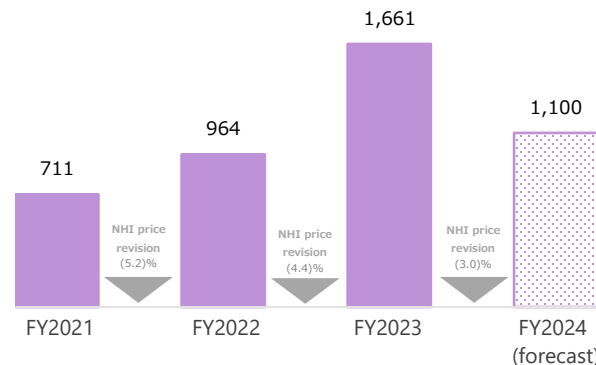


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Long-acting erythropoiesis-stimulating agent
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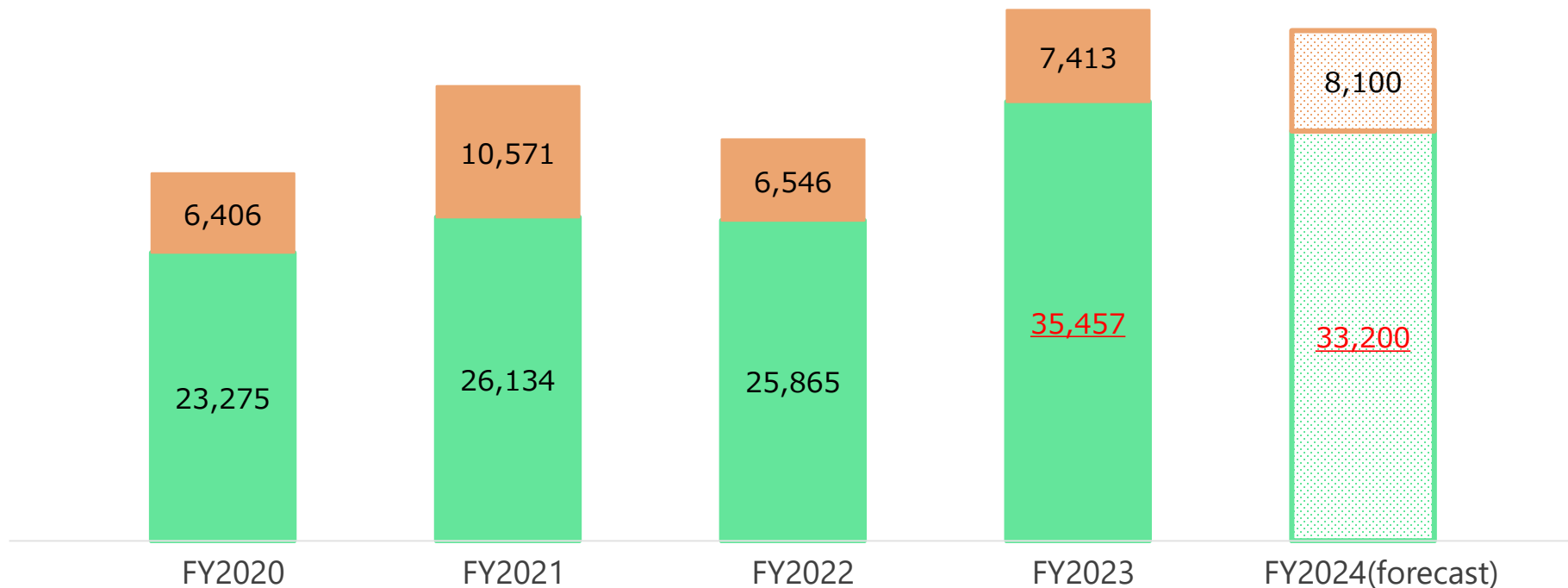
Net Sales Trends (Excluding AZD1222 Stock Solution) FY2024 Forecast



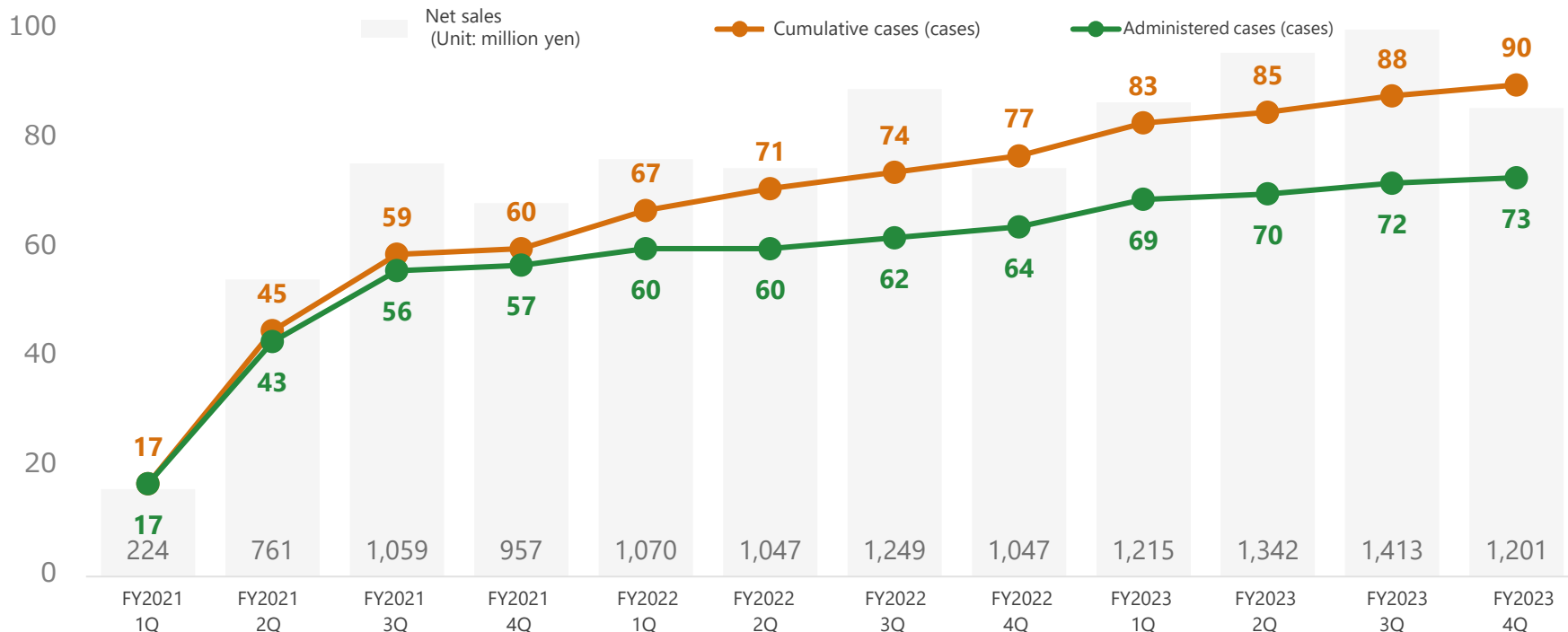
(Unit: million yen)

■ Products* sales ■ Income from contractual payment

* Products: GROWJECT, IZCARGO, treatment for renal anemia, TEMCELL, Agalsidase Beta, others



IZCARGO® Prescription Status



*Excluding sales of IZCARGO® related to NPS

GROWJECT® Market Trends

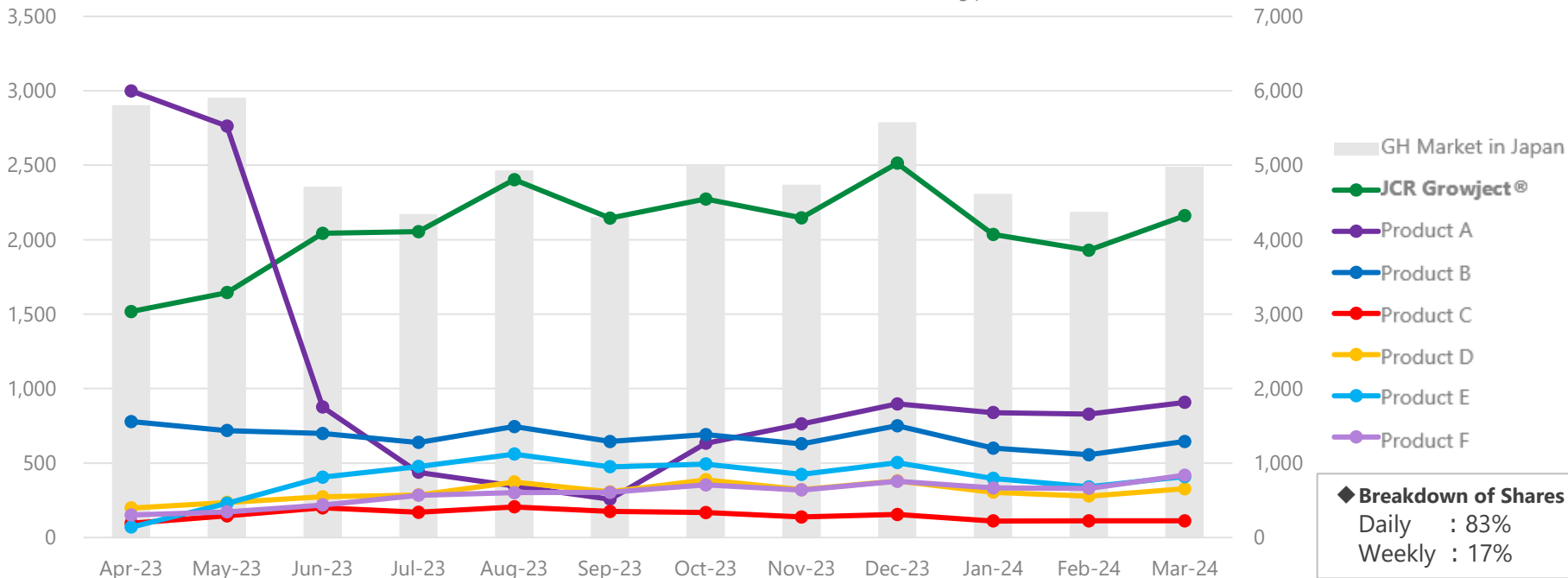


Sales amount of each product
(Unit: million yen)

GH Sales Trends in Japan (Apr. 2023 - Mar. 2024)

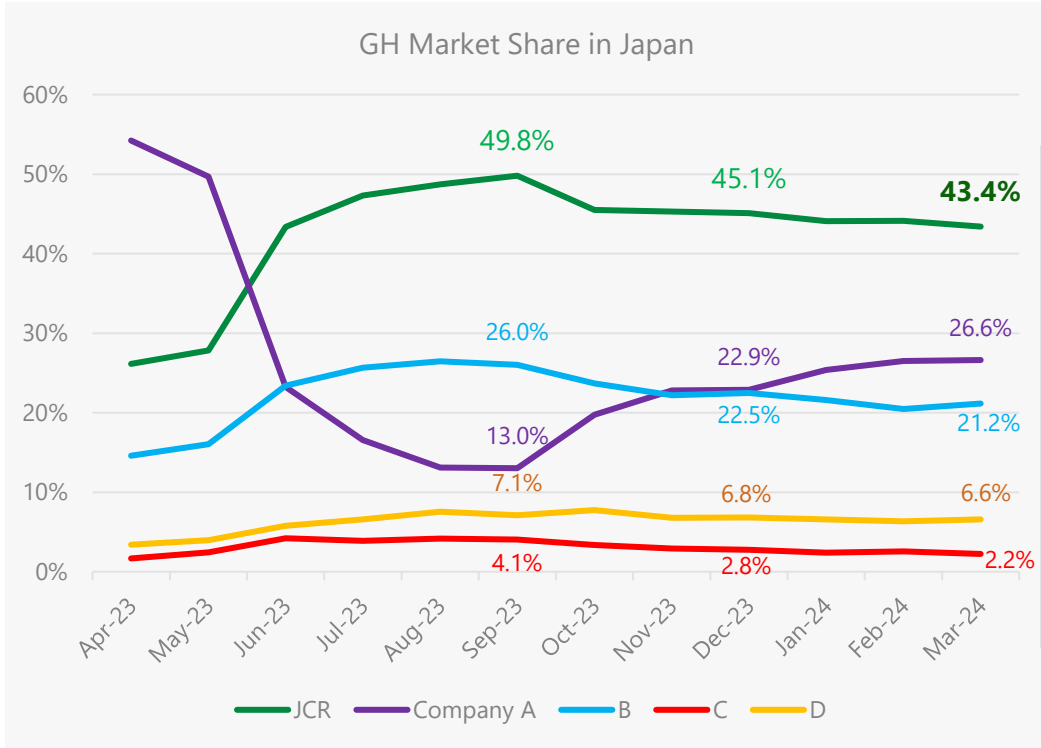
*On an NHI drug price basis

GH Market in Japan
(Unit: million yen)



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GROWJECT® Market Trends



■ GROWJECT® Market Share by buyer

	Mar. 2024	Sales Change FY2023 Q4 vs. FY2022 Q4 <small>*On an NHI drug price basis</small>
HP Market	35%	+929 million yen
GP Market	63%	+483 million yen
PH Market	35%	+544 million yen

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Market definition by JCR Reprinted with permission

HP: Hospital
GP: General Practitioner
PH: Pharmacy

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