

# 健康づくりは幸せづくり

Making Health  
is making happiness



66th

## Business Report

From April 1st, 2019 to March 31st, 2020

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ゼリア新薬

Z E R I A

## To Our Shareholders



Chairman and CEO

**Sachiaki Ibe**

President and COO

**Mitsuhiro Ibe**

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We, Zeria Pharmaceutical Co., Ltd. (“Zeria”) would like to express our thanks for your particular support.

We are pleased to report the business results of fiscal year 2019 (66th business operations) for the period from April 1st, 2019 to March 31st, 2020.

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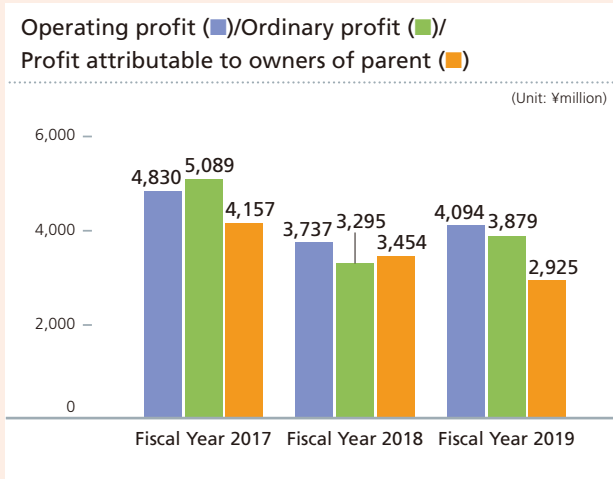
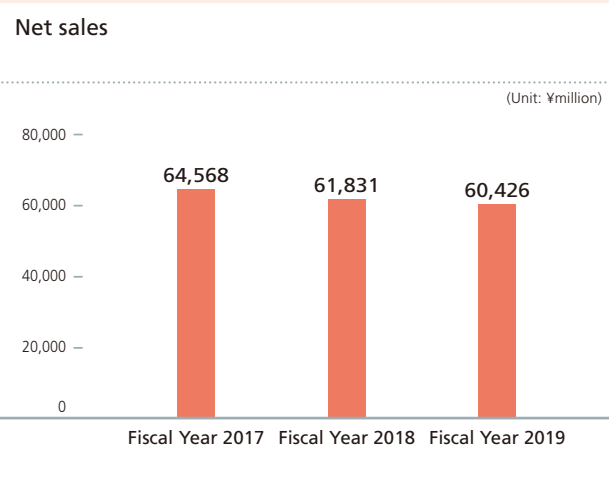
The Japanese economy had been experiencing a moderate recovery based on the background of improvements in the environment for employment and income, but the global spread of infection of the novel coronavirus (COVID-19) at the end of the fiscal year under review is forecast to lead to extremely difficult conditions starting with a drop in consumer spending.

For the pharmaceutical industry, both ethical pharmaceuticals and OTC drugs market remain in a severe situation. Ethical pharmaceuticals have dealt with NHI price revisions twice within a short period of time in October 2019 and April 2020, while the promotion of the use of generic brand pharmaceuticals continues to be strengthened as part of the initiatives to curtail healthcare expenses. For the OTC drugs market, in addition to severe market competition, consumer sentiment has been dampened by factors such as the consumption tax hike and the measures to refrain from going outside due to the spread of infection of COVID-19.

Under such circumstances, the Zeria Group entered the final year of the of its 9th Mid-Term Management Plan (fiscal year 2017 to fiscal year 2019). The Group has been accelerating global expansion during the fiscal year under review, which has steadily expanded overseas sales. In addition, Zeria has taken proactive initiatives in M&A and alliances to strengthen and enhance the Zeria Group's business base. In January 2020, Zeria entered into a contract with Nissui Pharmaceutical Co., Ltd. to receive all of the shares in its subsidiary, Nissui Pharma Medical Sales Co., Ltd., which became a subsidiary of Zeria in April 2020. Furthermore, Zeria has entered into respective contracts concerning the granting of exclusive development rights and market rights for Acofide, the therapeutic agent for functional dyspepsia invented by Zeria, with Meiji Seika Pharma Co., Ltd. for Thailand and Indonesia in October 2019 and with FAES FARMA, S.A. of Spain for Latin America (13 Latin American countries such as Brazil and Mexico) in January 2020. The Ethical Pharmaceuticals business and Consumer Healthcare business in Japan, however, did not produce sufficient results even though efforts were made to increase the business and improve profitability by reallocating management resources.

As a result of these activities, net sales for the current fiscal year were 60,426 million yen (down 2.3% from the previous fiscal year). Regarding profits, operating profit was 4,094 million yen (up 9.6% from the previous fiscal year) and ordinary profit was 3,879 million yen (up 17.7% from the previous fiscal year) due to the increase in sales of Asacol in overseas markets and a reduction in selling, general and administrative expenses. On the other hand, extraordinary income was recorded in the previous fiscal year and profit attributable to owners of parent was 2,925 million yen (down 15.3% from the previous fiscal year).

In the current fiscal year, the overseas sales to net sales ratio was 31.0%, compared with 28.5% in the previous fiscal year.



# Summary of Our Business Operations (Consolidated)

## Ethical Pharmaceuticals Business

As for the main product, Asacol, a therapeutic agent for ulcerative colitis, sales fell in the domestic market due to the impact of competitive products as well as generic brands. However, the decline in the domestic market was covered by growth in sales in overseas markets with the contribution from Asacol 1600mg and favorable trends in countries such as the UK and Northern Europe. Sales of Asacol as a whole increased. On the other hand, sales for Entocort, the inflammatory bowel disease therapeutic agent (domestic sales name: Zentacort) struggled overall due to impacts such as inventory adjustments in some overseas regions even though there was steady sales growth in the domestic market. As for Acofide, the therapeutic agent for functional dyspepsia, we are aiming for progress, working to uncover potential functional dyspepsia patients, primarily at medical institutions that conduct endoscopies.

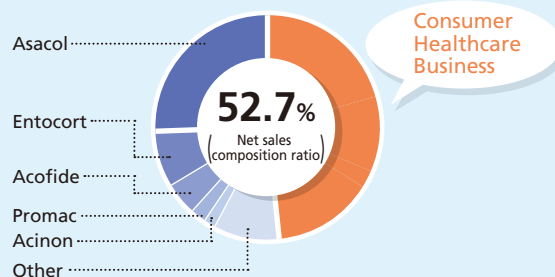
As a result, net sales in the business amounted to 31,768 million yen (down 0.2% from the previous fiscal year).



### Net sales

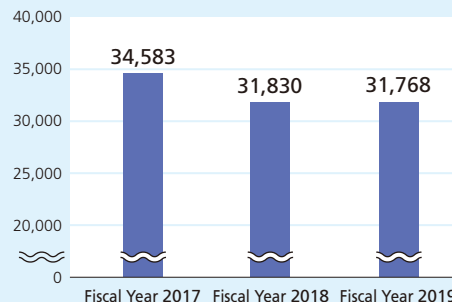
¥**31,768** million ▶ down 0.2% from the previous fiscal year

### Net sales of major products



Asacol	¥ <b>15.5</b> billion
Entocort	¥ <b>4.9</b> billion
Acofide	¥ <b>3.0</b> billion
Promac	¥ <b>1.3</b> billion
Acinon	¥ <b>1.0</b> billion

### Consolidated net sales in Ethical Pharmaceuticals Business (Unit: ¥million)



## Consumer Healthcare Business

As for its main brand, the Chondroitin range, sales have fallen each year since fiscal 2015, but Zeria has attempted to improve product awareness of Chondroitin, by continuing TV commercials, newspaper advertisements and in-store promotion to clearly promote the appeal of Chondroitin as being the only OTC pharmaceutical containing 1560 mg (the daily dosage) of Chondroitin. As a result of this aim to differentiate from health foods, sales increased on the previous fiscal year. Sales for the WithOne range of herbal laxatives were firm, despite a sluggish laxative market. However, regarding the Hepalyse range, even though sales of tablets in pharmaceutical categories such as Hepalyse Plus II were firm, there was fierce competition with other companies' drink products in the convenience store market as well as the measures to refrain from going outside due to the spread of infection of COVID-19 leading to a large drop in sales of the Hepalyse W range in the fourth quarter of the fiscal year under review and an overall decline in income. Note that the product line-up was strengthened in March 2020 with sales of Hepalyse W TANSAN.

As a result, net sales in the business amounted to 28,502 million yen (down 4.5% from the previous fiscal year).



OTC drugs

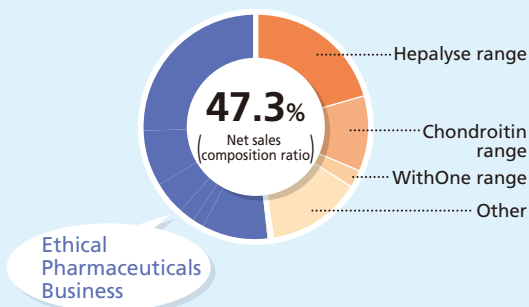


Hepalyse® W series

### Net sales

¥**28,502** million ▶ down 4.5% from the previous fiscal year

### Net sales of major products

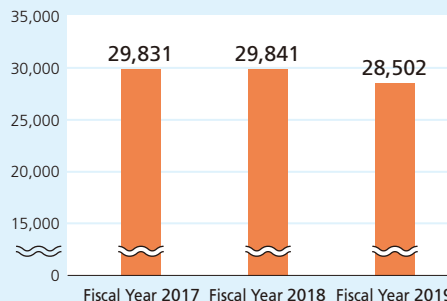


Hepalyse range    ¥**12.6** billion

Chondroitin range    ¥**6.6** billion

WithOne range    ¥**1.6** billion

### Consolidated net sales in Consumer Healthcare Business (Unit: ¥million)



# Status of Research and Development

In the Research and Development division, Zeria is promoting new drug development, including in-licensed products, centered on the priority gastrointestinal field following careful selection of development themes under a global development structure in coordination with Tillotts Pharma AG.

Zeria applied for approval of manufacturing and marketing of Z-213 (Ferinject), a treatment for iron deficiency anemia and an in-licensed drug from Vifor (International) AG of Switzerland, in March 2018 and obtained approval in March 2019.

Regarding development of Z-206 (Asacol) in China, Tillotts Pharma AG submitted an application for its approval in May 2013 following the completion of a Phase III trial targeting ulcerative colitis, and the regulatory review by the Chinese authorities was completed with approval obtained in April 2020. Furthermore, regarding sales of these products in China, Tillotts Pharma AG entered into a contract granting exclusive marketing rights to the local arm of major Italian pharmaceutical company Menarini Group in October 2019.

In addition, Zeria is conducting a global Phase III clinical trial for Z-100, which is targeting a cure for cervical cancer, in seven countries in the Asian region including Japan. All patient enrollments planned to present have been completed.

Regarding Zeria's own original drug Z-338 (Acofide), Phase III trials have commenced for paediatric functional dyspepsia patients in Japan.

Phase II trials are being conducted in Japan for ZG-801, a therapeutic agent for hyperkalemia in-licensed from Vifor (International) AG of Switzerland.

In the area of Consumer Healthcare products, as well as pushing ahead with the development of European herbal medicines, Zeria also launched new products one after the other.

As a result of these activities, research and development expenses for the current fiscal year were 6,342 million yen (down 7.2% from the previous fiscal year).



# Research and Development Pipeline

## Status of Pipeline of New Drugs

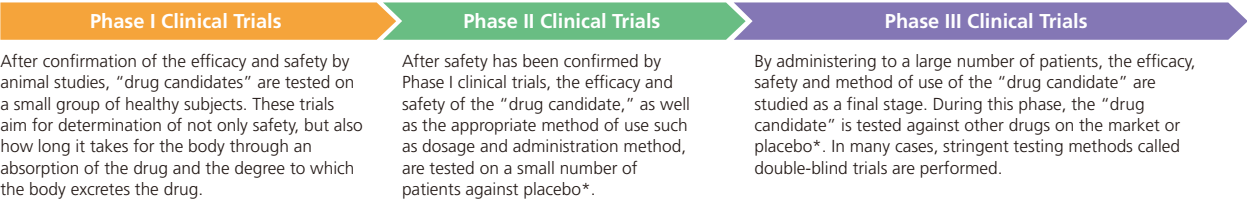
### I. Domestic

(As of May 21, 2020)

Stage	Development Code/ Generic Name	Development	Indications	Classification	Source
Approval	Z-213/Ferric carboxymaltose (Sales name: Ferinject® solution for injection/infusion 500mg)	Zeria	Iron deficiency anemia	Intravenous iron replacement	In-licensed
Phase III (Asia Global Development)	Z-100	Zeria	Cervical cancer	Immunomodulator	Original
Phase III	Z-338/Acotiamide	Zeria	Paediatric functional dyspepsia	Upper gastrointestinal motility modulator	Original
Phase II	ZG-801/Patiromer	Zeria	Hyperkalemia	Potassium binder	In-licensed

### II. Overseas

Stage	Development Code/ Generic Name	Development	Indications	Classification	Source
Approval (China)	Z-206/Mesalazine	Co-development of Zeria and Tillotts Pharma	Ulcerative colitis	pH-dependent controlled-release formulation	Original (Tillotts Pharma AG)
Phase III (Europe)	Z-338/Acotiamide	Zeria	Functional dyspepsia	Upper gastrointestinal motility modulator	Original
Phase III (Asia)	Z-100	Zeria	Cervical cancer	Immunomodulator	Original



\* Placebo: A fake drug that does not contain the active ingredient, but which is indistinguishable from the “drug candidate” by outer appearance or taste, etc.

# Status of Production and Distribution / Outlook for Fiscal Year 2020

## ● Status of Production and Distribution

In Zeria's Production and Distribution division, we are advancing process improvements, the introduction of energy-saving equipment, and cost reductions based on the premise to securing quality.

In departments related to Production, amid increasingly strict GMP (Good Manufacturing Practices – standards for manufacturing and quality controls relating to pharmaceuticals and quasi-drugs), the Saitama Plant and the Tsukuba Plant both completed the renewal of their licenses of the manufacture of pharmaceuticals in the current fiscal year. In addition, the response to new regulations from the regulatory authorities such as measures to deal with counterfeit medications and revisions to barcode labeling methods were completed. Furthermore, with the consolidation of Nissui Pharma Medical Sales Co., Ltd. as a subsidiary, the Group's production facilities including that company's Tsukuba Plant were reviewed, with initiatives taken to further reduce costs.

For the purchasing department, efforts were made to reduce costs with the start of joint purchases of raw materials with overseas subsidiaries.

Meanwhile, in departments related to Distribution, we worked towards strengthening the distribution structure by further improving operating efficiencies and striving to reduce costs while also holding stocks of ethical pharmaceuticals at the Kyushu Distribution Center as a response to natural disasters that have frequently occurred in recent years. In addition, as with departments related to Production, we plan to reduce distribution costs by quickly implementing joint delivery with Nissui Pharma Medical Sales Co., Ltd.

## ● Outlook for Fiscal Year 2020

We forecast continuation of an increasingly severe business environment for the near term given the strong promotion of initiatives to curtail healthcare expenses and fierce competition in the OTC drugs market as well as the economic slowdown in Japan and overseas due to the spread of infection of COVID-19.

Under such circumstances, the Zeria Group is implementing the following initiatives to expand the business and improve profitability.

Regarding the Ethical Pharmaceuticals Business, the sales alliance with Kyowa Kirin Co., Ltd. terminated at the end of March 2020. In the domestic market, from April 2020, initiatives have been conducted to strengthen activities to provide information on Asacol, exclusively sold by Zeria, and to list Ferinject solution for injection/infusion 500mg, a treatment for iron deficiency anemia, on NHI drug price standard at an early stage and conduct market development for it. In overseas markets, initiatives have been conducted for further market penetration of Asacol and Entocort.

Regarding the Consumer Healthcare business, the focus was on expanding the customer base for the main products including the Hepalyse range, the Chondroitin range, and the WithOne range while cultivating secondary product ranges. With Nissui Pharma Medical Sales Co., Ltd. becoming a subsidiary, we have been working towards further business expansion through synergies of both companies.

The consolidated financial forecast for the fiscal year ending March 31, 2021 is undecided because it is difficult to reasonably determine the impact of COVID-19 outbreak including when it might be contained at this time. We will promptly disclose the forecast as soon as it becomes possible to do so.

## ● Close-up

### Launch of Hepalyse W TANSAN

We commenced selling Hepalyse W TANSAN, which contains ingredients such as liver extract, vitamin C, sodium hyaluronate, and royal jelly extract, as a replacement for Hepalyse W Sparkling at convenience stores across Japan from March 31.

### ● Delicious sparkling Hepalyse W

Sparkling orange-flavored (no fruit) crystal clear Hepalyse W carbonated drink. A different product from others in the Hepalyse W Series in terms of both look and taste.

### ● Newly designed bottle

Newly designed with the first clear glass bottle in the Hepalyse W Series wrapped in bright coloured shrink packaging.





# Special Offers to Our Shareholders

Zeria offers a hospitality program to its shareholders in recognition of their constant support.

Shareholders who own 1,000 or more of Zeria's shares can choose from one of the six options A to F. Shareholders who own 100 or more but less than 1,000 of Zeria's shares receive option G.

Zeria hopes its shareholders will try the gift products for better understanding of its wide-ranging product structure.

Option

**A**

Soft drinks, Designated quasi-drug, Food for specified health uses  
**Set of aluminum can drinks and Hepalyse® W**



Option

**B**

Health drink  
**2 bottles of Chondrobe® Concentrate, JUNKOU®**



Option

**C**

Cosmetics and health products  
**Set of ChondroMax® and Aposty®**



Option

**D**

Chondroitin-Content Intensive Nighttime Essence

**2 bottles of ZZ:CC® ADSORB ESSENCE (30g)**



Option

**E**

Three-product Quality Moisturizer Set  
**IONA Three-product Basic Skincare Set**



Option

**F**

High-quality moisturizing skincare based on chondroitin research

**IONA R Two-product Special Care Set**



Option

**G**

Drink containing liver extract and turmeric extract  
**10 bottles of Hepalyse® W**



● Options D to F are available at the Zeria online store (<https://www.zeriaonline.com/>).

### **Obtained approval to manufacture and market Asacol in the People's Republic of China**

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Zeria Group company Tillotts Pharma AG of Switzerland, obtained approval to manufacture and market Asacol, a therapeutic agent for ulcerative colitis, in the People's Republic of China (hereinafter, China).

The rate of inflammatory bowel disease (IBD) in China is the highest in Asia and the rate has multiplied two to three times during the past 10 years. Zeria and Tillotts Pharma AG anticipate being able to contribute to the treatment of IBD in China through the sales of Asacol.

Prior to obtaining approval to manufacture and market, Tillotts Pharma AG entered into an agreement with A. Menarini International Trading, a member of the A. Menarini Group of Italy, for the distribution and marketing of the Asacol product range, therapeutic agents for ulcerative colitis, in China. Tillotts Pharma AG is aiming for further growth with the acquisition of new sales territory for Asacol in Asia.

### **Entered into an overseas licensing agreement for Acofide tablets**

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Zeria entered into a licensing agreement granting development and marketing rights for Acofide tablets, a therapeutic agent for functional dyspepsia, in Southeast Asia as well as Latin America. Zeria anticipates being able to contribute to improving the QOL for functional dyspepsia patients in the countries covered by this licensing agreement.

With the aim of continuing to maximize the product value of Acofide tablets, we will proactively negotiate further overseas licensing arrangements.

## **Acquired the shares of Nissui Pharma Medical Sales Co., Ltd.**

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On April 1, 2020, Zeria Pharmaceutical Co., Ltd. acquired all the shares in Nissui Pharma Medical Sales Co., Ltd. from Nissui Pharmaceutical Co., Ltd. and that company became a wholly-owned subsidiary.

Nissui Pharma Medical Sales Co., Ltd. inherited the liver hydrolysate business from Nissui Pharmaceutical Co., Ltd. when the shares were transferred and in addition to the manufacture and sales of OTC pharmaceuticals the company is developing the liver hydrolysate business.

With the absorption of this company into the Zeria Group, Zeria increased the size of its OTC business while establishing a structure to supply liver hydrolysate, which is vital for further growth of the Hepalyse range.

\* Nissui Pharma Medical Sales Co., Ltd. changed its name to Kenso-Seiyaku Co., Ltd. on June 29, 2020.

# Financial Statements (Consolidated)

## Consolidated Balance Sheets (Summary)

(Unit: ¥million\*)

Item	Term	Previous Fiscal Year (As of March 31, 2019)	Current Fiscal Year (As of March 31, 2020)	Item	Term	Previous Fiscal Year (As of March 31, 2019)	Current Fiscal Year (As of March 31, 2020)
<b>Assets</b>				<b>Liabilities</b>			
<b>Current Assets</b>		<b>38,723</b>	<b>35,020</b>	<b>Current Liabilities</b>		<b>38,838</b>	<b>41,070</b>
Cash and Deposits		8,045	9,005	Accounts Payable - Trade		1,763	1,587
Notes and Accounts Receivable-Trade		14,952	13,369	Short-Term Borrowings		27,988	29,705
Inventories		10,023	9,563	Other		9,086	9,777
Other		5,743	3,212	<b>Non-current Liabilities</b>		<b>12,247</b>	<b>10,406</b>
Allowance for Doubtful Accounts		(40)	(130)	Long-Term Borrowings		7,795	5,470
<b>Non-current Assets</b>		<b>71,710</b>	<b>69,135</b>	Net Defined Benefit Liability		648	1,123
<b>Property, Plant and Equipment</b>		<b>22,913</b>	<b>23,125</b>	Asset Retirement Obligations		55	55
Buildings and Structures		7,573	7,073	Other		3,747	3,757
Machinery, Equipment and Vehicles		3,167	2,700	<b>Total Liabilities</b>		<b>51,086</b>	<b>51,477</b>
Land		11,662	11,660	<b>Net Assets</b>			
Construction in Progress		84	75	<b>Shareholders' Equity</b>		<b>51,534</b>	<b>49,264</b>
Other		425	1,616	<b>Share Capital</b>		<b>6,593</b>	<b>6,593</b>
<b>Intangible Assets</b>		<b>29,799</b>	<b>29,848</b>	<b>Capital Surplus</b>		<b>11,685</b>	<b>11,685</b>
<b>Investments and Other Assets</b>		<b>18,997</b>	<b>16,162</b>	<b>Retained Earnings</b>		<b>43,822</b>	<b>44,832</b>
Investment Securities		5,538	5,968	<b>Treasury Shares</b>		<b>(10,565)</b>	<b>(13,846)</b>
Deferred Tax Assets		44	85	<b>Accumulated Other Comprehensive Income</b>		<b>7,650</b>	<b>3,246</b>
Retirement Benefit Asset		12,922	9,759	Valuation Difference on Available-for-Sale Securities		(21)	(457)
Other		507	354	Foreign Currency Translation Adjustment		2,084	1,648
Allowance for Doubtful Accounts		(15)	(6)	<b>Remeasurements of Defined Benefit Plans</b>		<b>5,588</b>	<b>2,054</b>
<b>Total Assets</b>		<b>110,433</b>	<b>104,155</b>	<b>Non-Controlling Interests</b>		<b>162</b>	<b>168</b>
				<b>Total Net Assets</b>		<b>59,347</b>	<b>52,678</b>
				<b>Total Liabilities and Net Assets</b>		<b>110,433</b>	<b>104,155</b>

Unit: ¥million rounded down to nearest million

## Consolidated Statements of Income (Summary) (Unit: ¥million\*)

Item	Term	Previous Fiscal Year	Current Fiscal Year
		(From April 1, 2018 to March 31, 2019)	(From April 1, 2019 to March 31, 2020)
<b>Net Sales</b>		<b>61,831</b>	<b>60,426</b>
<b>Cost of Sales</b>		<b>17,752</b>	<b>16,643</b>
<b>Gross Profit</b>		<b>44,078</b>	<b>43,783</b>
Reversal of Provision for Sales Returns		38	46
<b>Provision for Sales Returns</b>		<b>46</b>	<b>38</b>
<b>Gross Profit-Net</b>		<b>44,071</b>	<b>43,791</b>
Selling, General and Administrative Expenses		40,334	39,696
<b>Operating Profit</b>		<b>3,737</b>	<b>4,094</b>
<b>Non-Operating Income</b>		<b>290</b>	<b>310</b>
<b>Non-Operating Expenses</b>		<b>732</b>	<b>525</b>
<b>Ordinary Profit</b>		<b>3,295</b>	<b>3,879</b>
<b>Extraordinary Income</b>		<b>1,984</b>	<b>44</b>
<b>Extraordinary Losses</b>		<b>59</b>	<b>3</b>
<b>Profit before Income Taxes</b>		<b>5,221</b>	<b>3,920</b>
<b>Income Taxes-Current</b>		<b>1,061</b>	<b>527</b>
<b>Income Taxes-Deferred</b>		<b>696</b>	<b>453</b>
<b>Profit</b>		<b>3,463</b>	<b>2,938</b>
Profit Attributable to Non-Controlling Interests		9	13
<b>Profit Attributable to Owners of Parent</b>		<b>3,454</b>	<b>2,925</b>

Unit: ¥million rounded down to nearest million

## Consolidated Statements of Cash Flows (Summary) (Unit: ¥million\*)

Item	Term	Previous Fiscal Year	Current Fiscal Year
		(From April 1, 2018 to March 31, 2019)	(From April 1, 2019 to March 31, 2020)
Net Cash Provided by (Used in) Operating Activities		5,500	7,251
Net Cash Provided by (Used in) Investing Activities		(2,855)	(405)
Net Cash Provided by (Used in) Financing Activities		(4,534)	(5,877)
Effect of Exchange Rate Change on Cash and Cash Equivalents		(224)	(52)
Net Increase (Decrease) in Cash and Cash Equivalents		(2,114)	916
Cash and Cash Equivalents at Beginning of Period		10,034	7,920
Increase (decrease) in Cash and Cash Equivalents Resulting from Change in Scope of Consolidation		-	43
<b>Cash and Cash Equivalents at End of Period</b>		<b>7,920</b>	<b>8,880</b>

Unit: ¥million rounded down to nearest million

## Consolidated Statements of Changes in Net Assets (Summary) (From April 1, 2019 to March 31, 2020) (Unit: ¥million\*)

	Shareholders' Equity					Accumulated Other Comprehensive Income				Non-controlling interests	Total Net Assets
	Share Capital	Capital Surplus	Retained Earnings	Treasury Shares	Total Shareholders' Equity	Valuation Difference on Available-for-Sale Securities	Foreign Currency Translation Adjustment	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income		
Balance at Beginning of Period	6,593	11,685	43,822	(10,565)	51,534	(21)	2,084	5,588	7,650	162	59,347
Changes during Period											
Dividends of Surplus			(1,603)		(1,603)						(1,603)
Profit Attributable to Owners of Parent			2,925		2,925						2,925
Purchase of Treasury Shares				(3,280)	(3,280)						(3,280)
Change in Scope of Consolidation			(311)		(311)						(311)
Net Changes of Items Other than Shareholders' Equity						(435)	(435)	(3,533)	(4,404)	6	(4,398)
Total Changes during Period	-	-	1,010	(3,280)	(2,270)	(435)	(435)	(3,533)	(4,404)	6	(6,668)
Balance at End of Period	6,593	11,685	44,832	(13,846)	49,264	(457)	1,648	2,054	3,246	168	52,678

Unit: ¥million rounded down to nearest million

# Company Information (As of March 31, 2020)

## Company Outline

Established:	December 1955
Share Capital:	¥6,593,398,500
Number of Employees:	1,667 (Consolidated)
Business Activities:	<ol style="list-style-type: none"> <li>1. Manufacturing, sales, import and export of pharmaceuticals, quasi-drugs and reagents.</li> <li>2. Manufacturing, sales, import and export of cosmetics, health foods, soft drinks, hygienic goods and medical devices.</li> </ol>

## Directors and Audit & Supervisory Board Members

(As of June 26, 2020)

Chairman and CEO	Sachiaki Ibe
President and COO	Mitsuhiro Ibe
Executive Vice President	Hirokazu Endo
Managing Director	Makoto Kishimoto
Director	Tetsuo Komori
Director	Kikuo Nomoto
Director	Seiji Morimoto
Director	Hiroki Kato
Director	Yoshihiro Hiraga
Director	Toshiaki Kawagoe
Director	Kenji Kusano
Director	Yuuki Okazawa
Audit & Supervisory Board Member	Koujirou Takami
Audit & Supervisory Board Member	Keiji Ishiyama
Audit & Supervisory Board Member (Outside)	Yukiko Naka
Audit & Supervisory Board Member (Outside)	Masaru Kamisuki

## Place of Business

● Headquarters	● Fukuoka Branch
● Sapporo Branch	● Central Research Laboratories
● Sendai Branch	● Saitama Plant
● Tokyo Branch	● Tsukuba Plant
● Kita Kanto Sales Office	● Sapporo Distribution Center
● Minami Kanto Sales Office	● Tokyo Distribution Center
● Nagoya Branch	● Saitama Distribution Center
● Osaka Branch	● Osaka Distribution Center
● Osaka 2nd Sales Office	● Kyushu Distribution Center
● Chugoku & Shikoku Branch	

## Main Subsidiaries (As of June 26, 2020)

- Tillotts Pharma AG (Switzerland)
- Tillotts Pharma AB (Sweden)
- Tillotts Pharma Ltd. (Ireland)
- Tillotts Pharma UK Ltd. (United Kingdom)
- Tillotts Pharma Czech s.r.o. (Czech Republic)
- Tillotts Pharma Spain S.L.U. (Spain)
- Tillotts Pharma GmbH (Germany)
- Tillotts Pharma France SAS (France)
- Pharmaceutical Joint Stock Company of February 3rd (Vietnam)
- ZPD A/S (Denmark)
- Zeria Healthway Co., Ltd.
- IONA INTERNATIONAL CORPORATION
- Nissui Pharma Medical Sales Co., Ltd.
- Zevice Co., Ltd.

(Note) Nissui Pharma Medical Sales Co., Ltd. changed its name to Kenso-Seiyaku Co., Ltd. on June 29, 2020.



# Share Information (As of March 31, 2020)

## Status of Shares

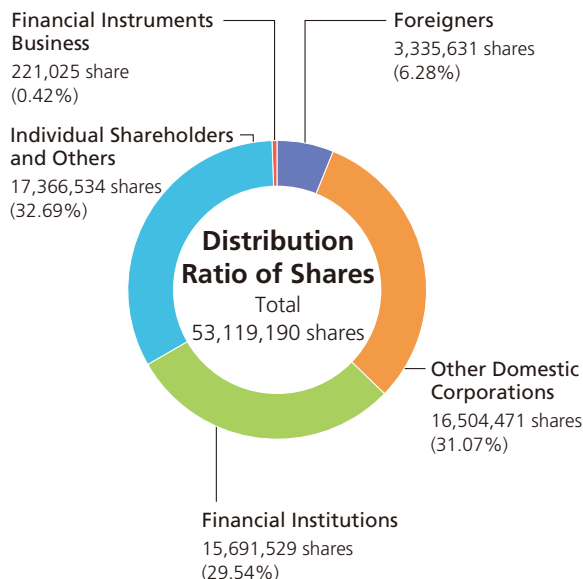
- (i) Number of authorized shares: 119,860,000 shares
- (ii) Number of shares outstanding: 53,119,190 shares
- (iii) Number of shareholders: 10,880

## Major Shareholders

Name of Shareholder	Number of Shares Held	Percentage Held (%)
Ibe Corporation	4,741,847	10.2
MUFG Bank, Ltd.	2,107,050	4.6
Morinaga Milk Industry Co., Ltd.	1,940,215	4.2
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,747,200	3.8
Sachiaki Ibe	1,592,967	3.4
Sumitomo Mitsui Banking Corporation	1,406,131	3.0
Mizuho Bank, Ltd.	1,406,053	3.0
Resona Bank, Limited	1,182,385	2.6
Japan Trustee Service Bank, Ltd. (Trust Account)	976,000	2.1
Zeria Pharmaceutical Co., Ltd. Employee Stockholding Plan	956,555	2.1

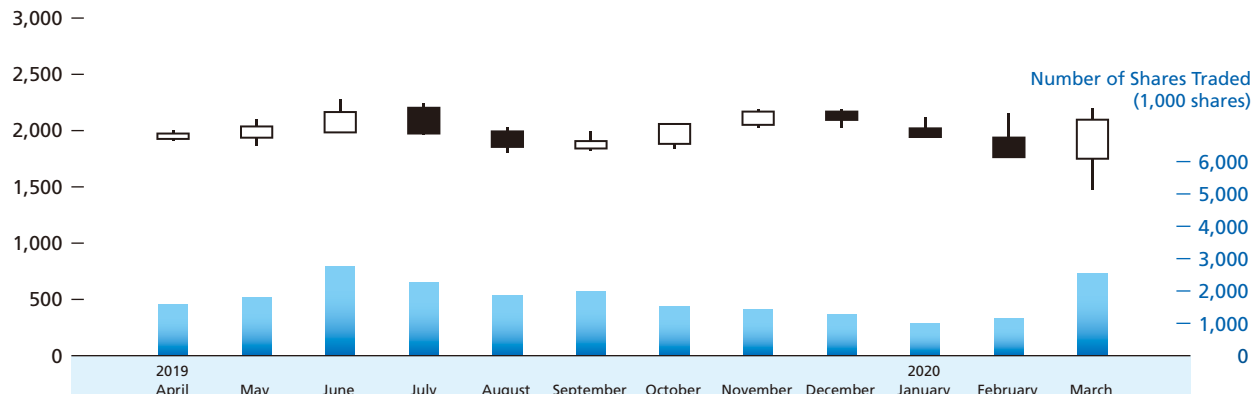
(Note) The percentage held is calculated by subtracting treasury shares (totaling 6,825,944 shares).

## Distribution of Shares by Shareholder Type



## Share Price and Trading Volume

Share Price (¥)



# Shareholder Memo

## Fiscal Year

From April 1st of each year to March 31st of the following year

## Ordinary General Meeting of Shareholders

Late June of each year

## Record Date

Ordinary General Meeting of Shareholders and end of term dividend:

March 31 of each year

Interim dividend: September 30 of each year

## Transfer Agent

Sumitomo Mitsui Trust Bank, Limited

1-4-1 Marunouchi, Chiyoda-ku, Tokyo

## Account Management Institution for Special Account

Sumitomo Mitsui Trust Bank, Limited

1-4-1 Marunouchi, Chiyoda-ku, Tokyo

## Mailing Address (Inquiry information)

Stock Transfer Agency Business Planning Department,

Sumitomo Mitsui Trust Bank, Limited

2-8-4 Izumi, Suginami-ku, Tokyo 168-0063

TEL: 0120-782-031 (toll-free)

Handling operation is conducted in main branch and all domestic branches of Sumitomo Mitsui Trust Bank, Limited.

- **Applications for change of address or for purchase demands of fractional shares, etc.**  
Please send such notifications or applications to the securities company where your account is held.

For shareholders for whom a special account has been opened because there is no account held by a securities company, please send such notifications or applications to Sumitomo Mitsui Trust Bank, Limited, the account management institution for the special account.

- **Applications for payment of dividends payable**

Please send such applications to the transfer agent, Sumitomo Mitsui Trust Bank, Limited.

## Customer Service, Zeria Pharmaceutical Co., Ltd.

10-11 Nihonbashi-kobunacho, Chuo-ku, Tokyo 103-8351

TEL 03-3663-2351 (Main) FAX 03-3663-2352

03-3661-2080

<https://www.zeria.co.jp/>



## Website introduction

**Please refer to latest  
IR information on  
our website.**

The Company has set up a website for the purpose of providing accurate information on a timely basis. The website contains a broad array of information useful for shareholders and investors, from IR information to the latest news.



<https://www.zeria.co.jp/english/>