



**Fiscal Year 2023 (Period Ended March 2024)**

# **Financial Results Briefing**

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**May 15, 2024**

**TSE Prime 4559**

**Zeria Pharmaceutical Co., Ltd.**  
**Mitsuhiro Ibe, Representative Director, President**

# **I. Consolidated Financial Highlights for Fiscal Year 2023**

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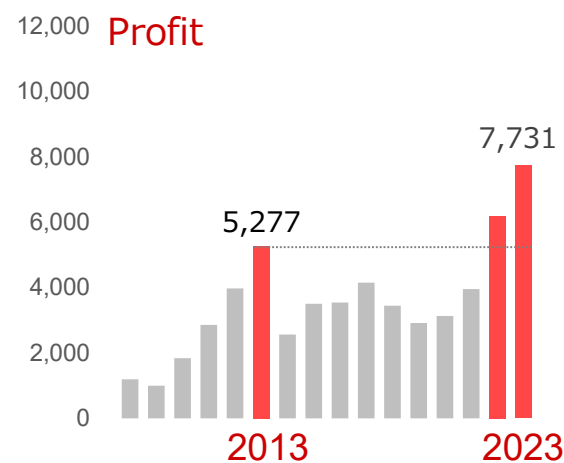
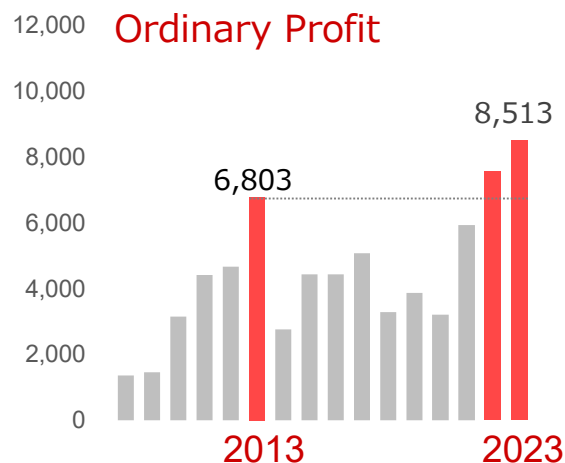
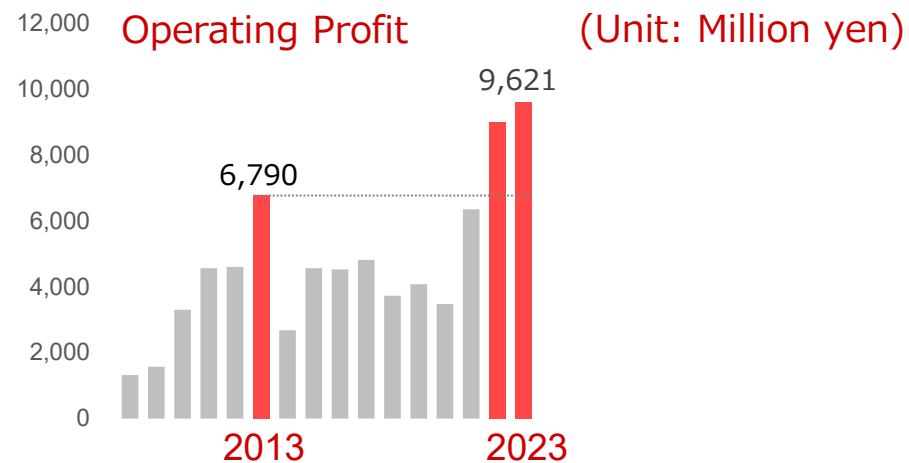
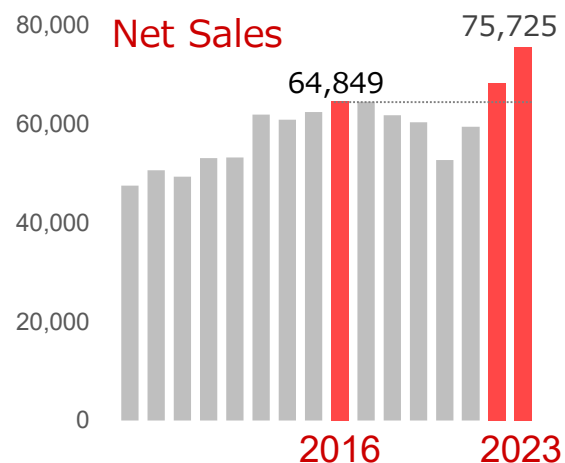
**I-1 Overview**

**I-2 Ethical Pharmaceuticals Business**

**I-3 Consumer Healthcare Business**

**I-4 Overseas Net Sales**

## Record highs achieved for the second consecutive year



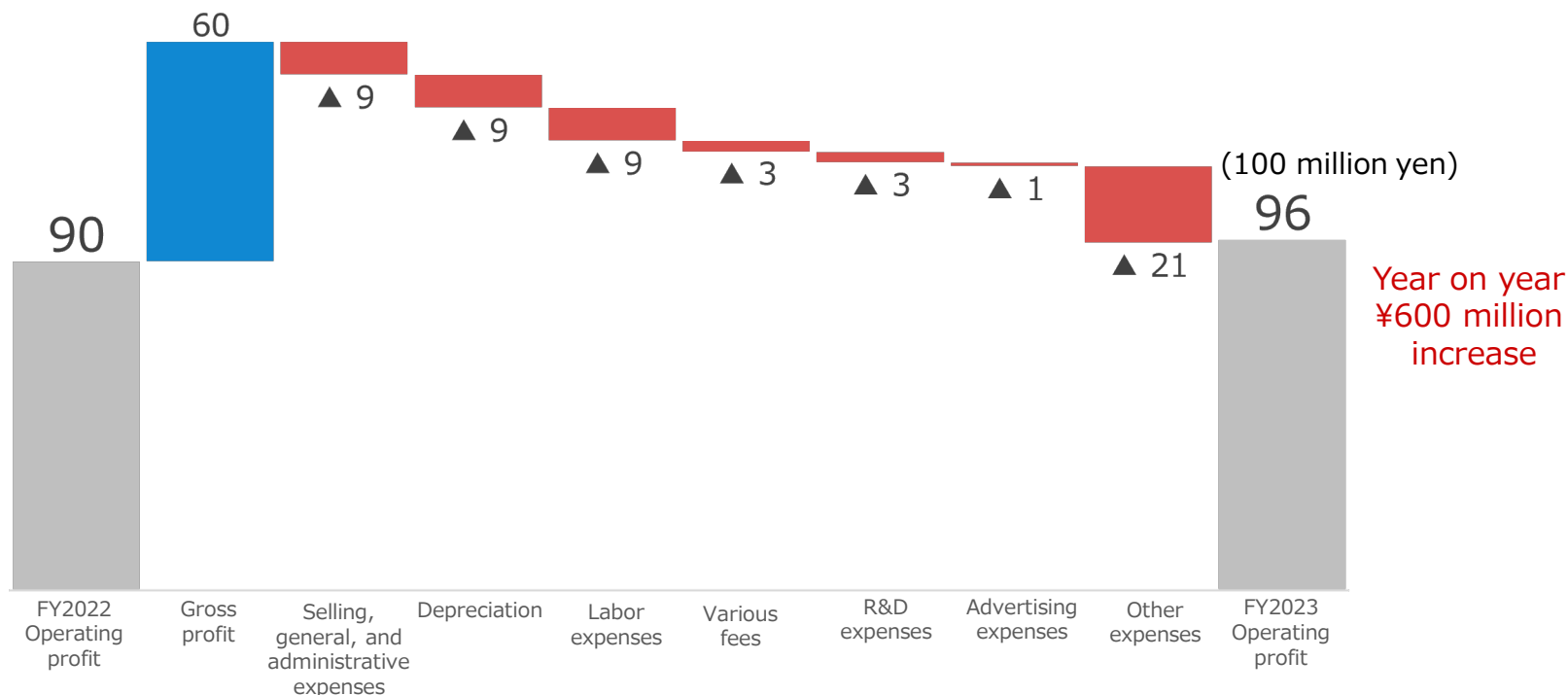
# I-1 Overview

## ◆ Sales and profit growth driven by Overseas Ethical Pharmaceuticals Business

	Fiscal Year 2022		Fiscal Year 2023		
	Results	Sales Ratio	Results	Sales Ratio	Year-on-Year Growth Rate
(Million yen)					
Net Sales	68,383	100.0%	75,725	100.0%	10.7%
Gross Profit	49,488	72.4%	55,501	73.3%	12.1%
Selling, General, and Administrative Expenses	40,473	59.2%	45,879	60.6%	13.4%
Operating Profit	9,014	13.2%	9,621	12.7%	6.7%
Ordinary Profit	7,579	11.1%	8,513	11.2%	12.3%
Profit Attributable to Owners of Parent	6,195	9.1%	7,731	10.2%	24.8%
Dividend Per Share	40 yen		44 yen (planned)		

# I-1 Factors Causing Changes in Operating Profit

Operating profit increased by 600 million yen year on year



Selling, general, and administrative expenses

Enhanced promotion activities in the Overseas Ethical Pharmaceuticals Business

Depreciation

Increase in expenses in line with start of trademark amortization (Entocort)

Labor expenses

Increased hiring at overseas subsidiaries, wage increases

Various fees

Royalties, etc.

Other expenses

Increased expenses due to partial revision of the UK drug price regulation system, etc.

### ◆ Dificlir contributed greatly to increased sales

		Fiscal Year 2022	Fiscal Year 2023	
(Unit: Million yen)		Results	Results	Year-on-Year Growth
Ethical Pharmaceuticals Business		43,145	49,571	14.9%
	Asacol	19,511	20,918	7.2%
	Dificlir	8,345	13,508	61.9%
	Entocort	5,688	5,416	-4.8%
	Acofide	3,108	3,067	-1.3%
	Others	6,491	6,661	2.6%

### Factors Causing Changes from Previous Year

	Year-on-Year Comparison (Million yen)	Factors Causing Change	
		Domestic	Overseas
Asacol	+1,407	Impact from drug price revision	Growth in 1600mg tablets in the UK, Germany, Spain, and others
Dificlir (Dafclir)	+5,163	Start of shipments of Dafclir Tablets in April	Growth in France, Germany, the UK, Spain, and others
Entocort (Zentacort)	-272	Impact from drug price revision	Impact from generic products in some European countries
Acofide	-41	Impact from drug price revision	
Others	+169	Market penetration of Ferinject	

## I-3 Consumer Healthcare Business

- ◆ Noticeable growth in Pharmaceutical Hepalyse
- ◆ Increased sales in both Chondroitin range and WithOne range

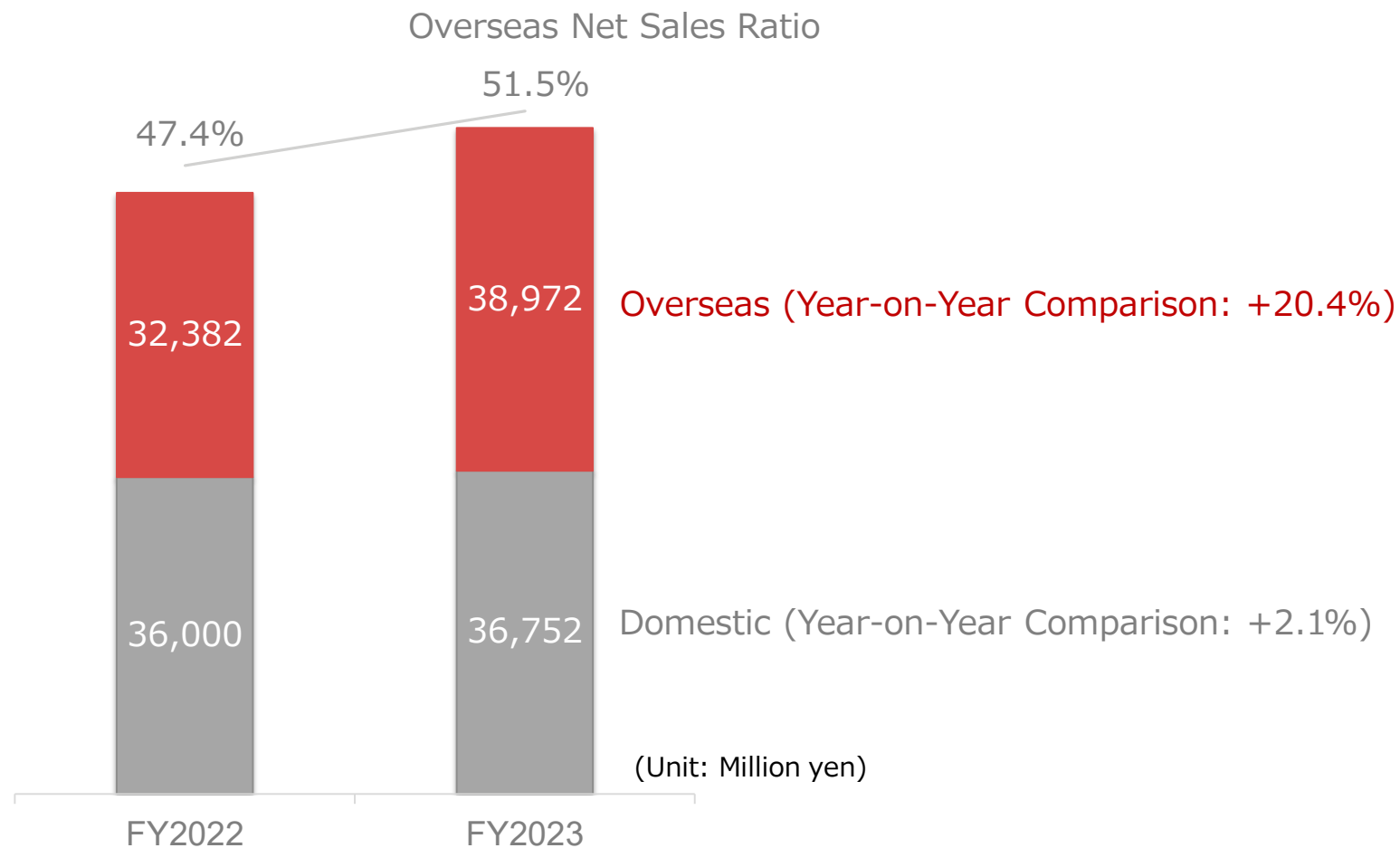
		Fiscal Year 2022	Fiscal Year 2023	
(Unit: Million yen)		Results	Results	Year-on-Year Growth
Consumer Healthcare Business		25,085	25,998	3.6%
	Hepalyse Range	9,848	10,968	11.4%
	Pharmaceuticals	4,769	5,839	22.4%
	Soft Drinks Dietary Supplements	5,079	5,128	1.0%
	Chondroitin Range	5,421	5,752	6.1%
	WithOne Range	1,266	1,292	2.0%
	Others	8,548	7,985	-6.6%



## Factors Causing Changes from Previous Year

		Year-on-Year Comparison (Million yen)	Factors Causing Change
Hepalyse Range	Pharmaceuticals	+1,070	Broader understanding of benefits for fatigue recovery and metabolism improvement/promotion
	Soft Drinks Dietary Supplements	+49	Lull in recovery post-pandemic
Chondroitin Range		+330	Understanding of product characteristics and advertising effects
WithOne Range		+25	Enhanced sales promotions in line with packaging update Understanding of product characteristics
Others		-562	Growth in the European herbal preparation range, Prevaline range, Masdent range, and others, although some product ranges experienced a decline

**Overseas net sales grew significantly  
thanks to strong performance by Asacol and Dificlir**



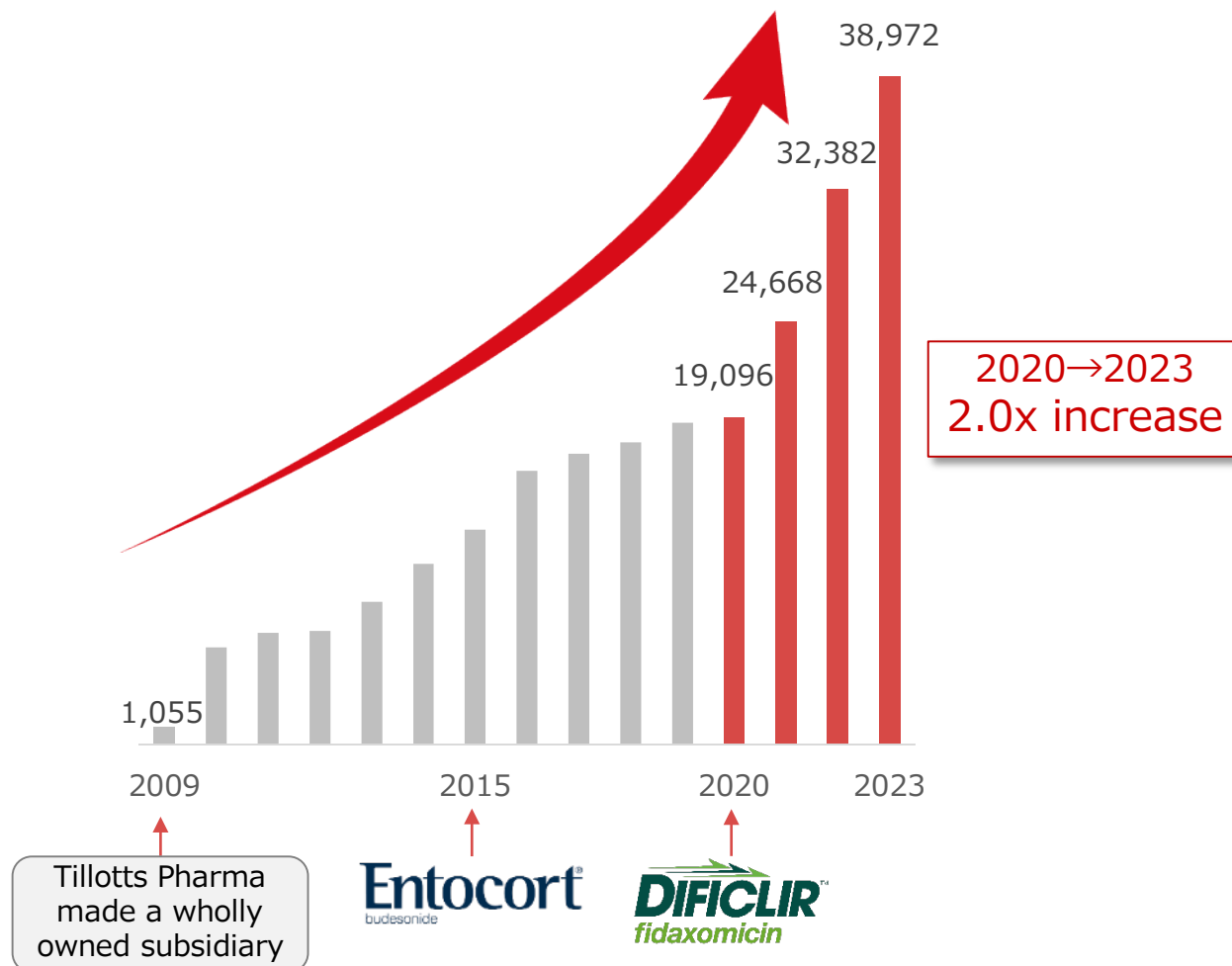
## **II. Financial Forecast for Fiscal Year Ending March 31, 2025**

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- II-1      Growth Trajectory in the Overseas Business**
- II-2      11th Mid-Term Management Plan (2023-2025)**
- II-3-1    Ethical Pharmaceuticals Business**
- II-3-2    Consumer Healthcare Business**
- II-4      Consolidated Financial Forecast for Fiscal Year  
Ending March 31, 2025**
- II-5      Development Pipeline Status**

### Dificlir to drive strong growth in the Overseas Ethical Pharmaceuticals Business

Overseas Net Sales Trend (Million yen)



### Management Targets

- Consolidated net sales: 90 billion yen
- Overseas net sales ratio: 50% or greater

### 11th Mid-Term Management Plan Main Policies

Aim for further growth centered around a strong overseas business

- ① Continuous market development in Europe
  - Asacol, Dificlir
- ② Market expansion in Asia
  - Zeria Pharmaceutical  
Expand product exports to Asian countries
  - Vietnam F.T. Pharma  
Construction of new plant, expand existing businesses, export to neighboring countries in Southeast Asia

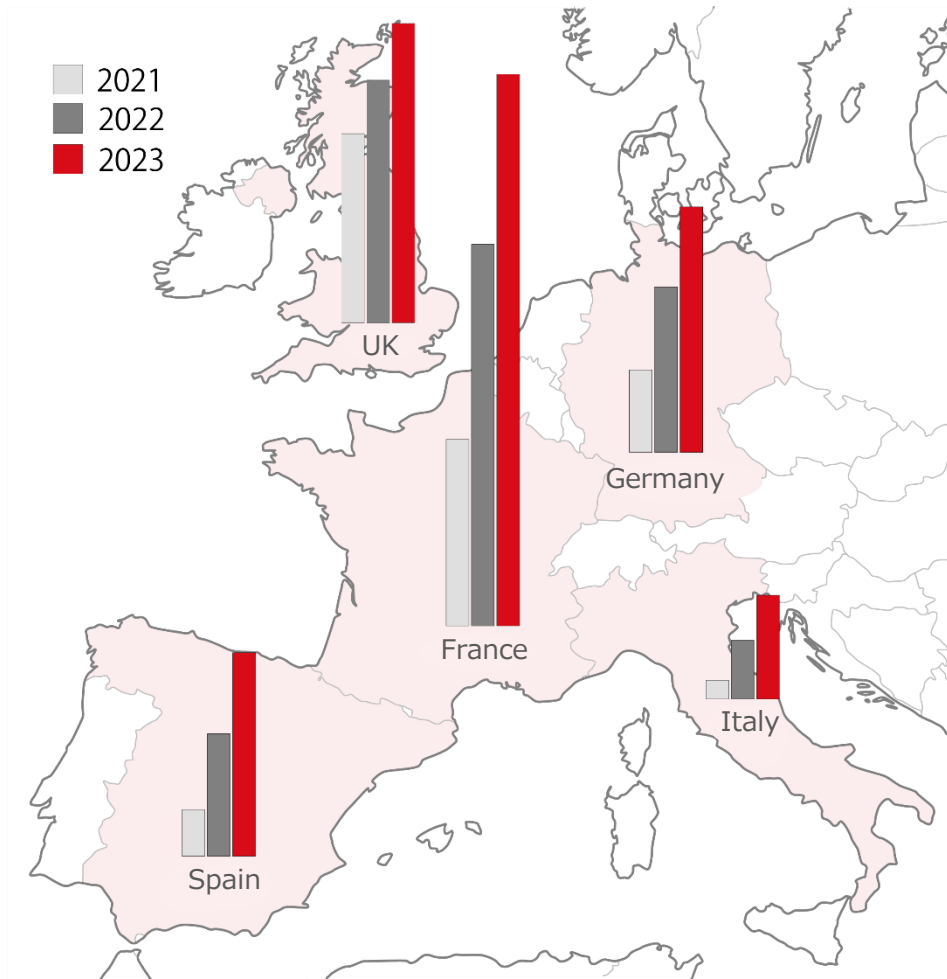
### Overseas ethical pharmaceuticals (Europe)

- Asacol Expected growth in 1600mg tablets
- Dificlir Following on from France, which drove sales growth, rapid growth is expected in Germany and other countries
- Entocort Decline in sales due to spread of generic products

### Domestic ethical pharmaceuticals

- Asacol Significant impact from drug price revision
- Acofide Impact from drug price revision
- Ferinject Continuous market penetration
- Dafclir Increased awareness of revised guidelines
- ZG-801 Expected launch in second half of fiscal year 2024

### Dificlir Tablet sales trend (CHF)

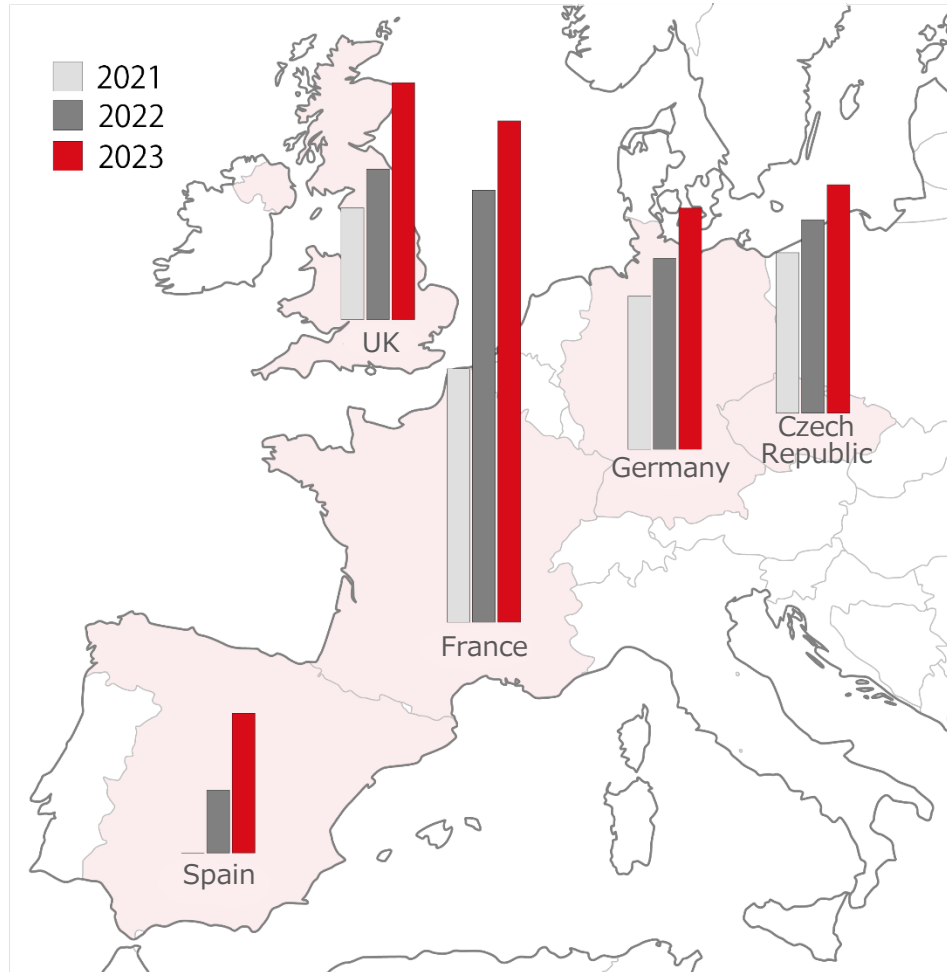


- Similar growth to past fiscal years in major European markets
- Expected growth in German market due to increased awareness of new Clinical Practice Guideline published by Germany (end of 2023)

**Dificlir  
Fiscal year 2024**

**Expected year-on-year growth of  
more than 20%**

### Asacol 1600mg Tablet sales trend (CHF)



- Increased penetration of 1600mg tablets in major European markets

**Asacol**  
**Fiscal year 2024**  
**Expected year-on-year growth of more than 10%**



### Advertising activities through diverse media outlets including TV commercials and social media

#### Pharmaceutical Hepalyse



#### Chondroitin ZS Tablets



#### Hepalyse W



#### Masdent Range



### Advertising activities through diverse media outlets including TV commercials and social media

#### Prefemin

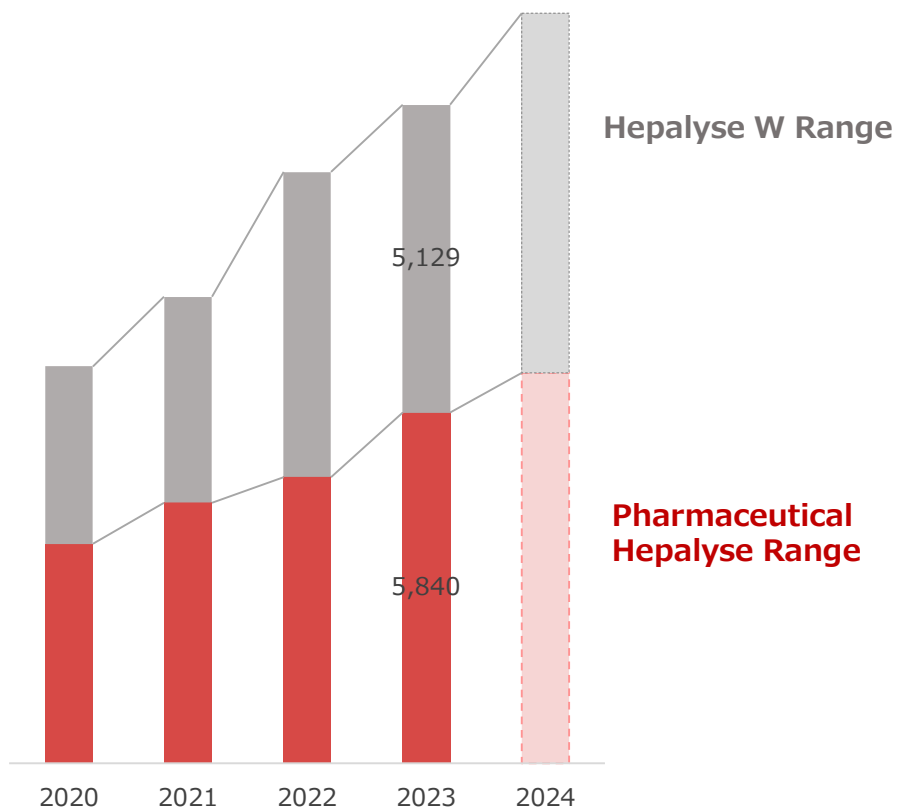


#### Prevaline α Quick



- Enhance sales promotions through advertising etc.
- We will aim for further market penetration of our diverse consumer healthcare products range.

### Focus on further market penetration of the Hepalyse range



- Pharmaceutical Hepalyse Range: Strong performance  
Keyword: Benefits for fatigue recovery and metabolism improvement/promotion  
Solid market reaction
- Hepalyse W Range for convenience stores  
Plan new measures aimed at market penetration

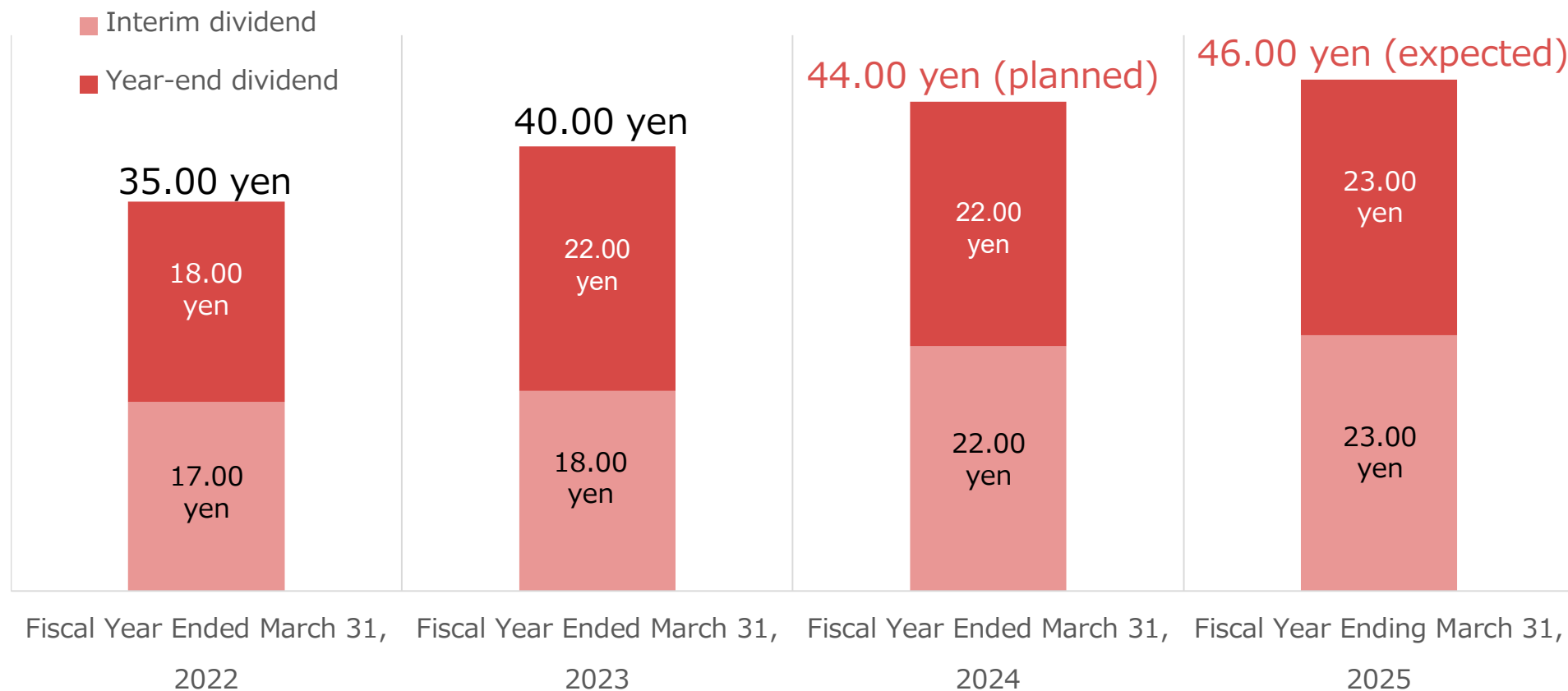
**Hepalyse Range**  
**Fiscal year 2024**  
**Expected year-on-year**  
**growth of more than 10%**

## Expect increases in sales and income to continue

	Fiscal Year Ended March 31, 2024	Fiscal Year Ending March 31, 2025	
	Results	Expectation	Year-on-Year Growth Rate
(Million yen)			
Net Sales	75,725	83,000	9.6%
Operating Profit	9,621	10,000	3.9%
Ordinary Profit	8,513	10,000	17.5%
Profit Attributable to Owners of Parent	7,731	7,800	0.9%
Dividend Per Share	44 yen (planned)	46 yen (expected)	
R&D Expenses	3,726	5,100	36.8%
Advertising Expenses	2,582	3,000	16.2%
Overseas Net Sales	38,972	44,850	15.1%

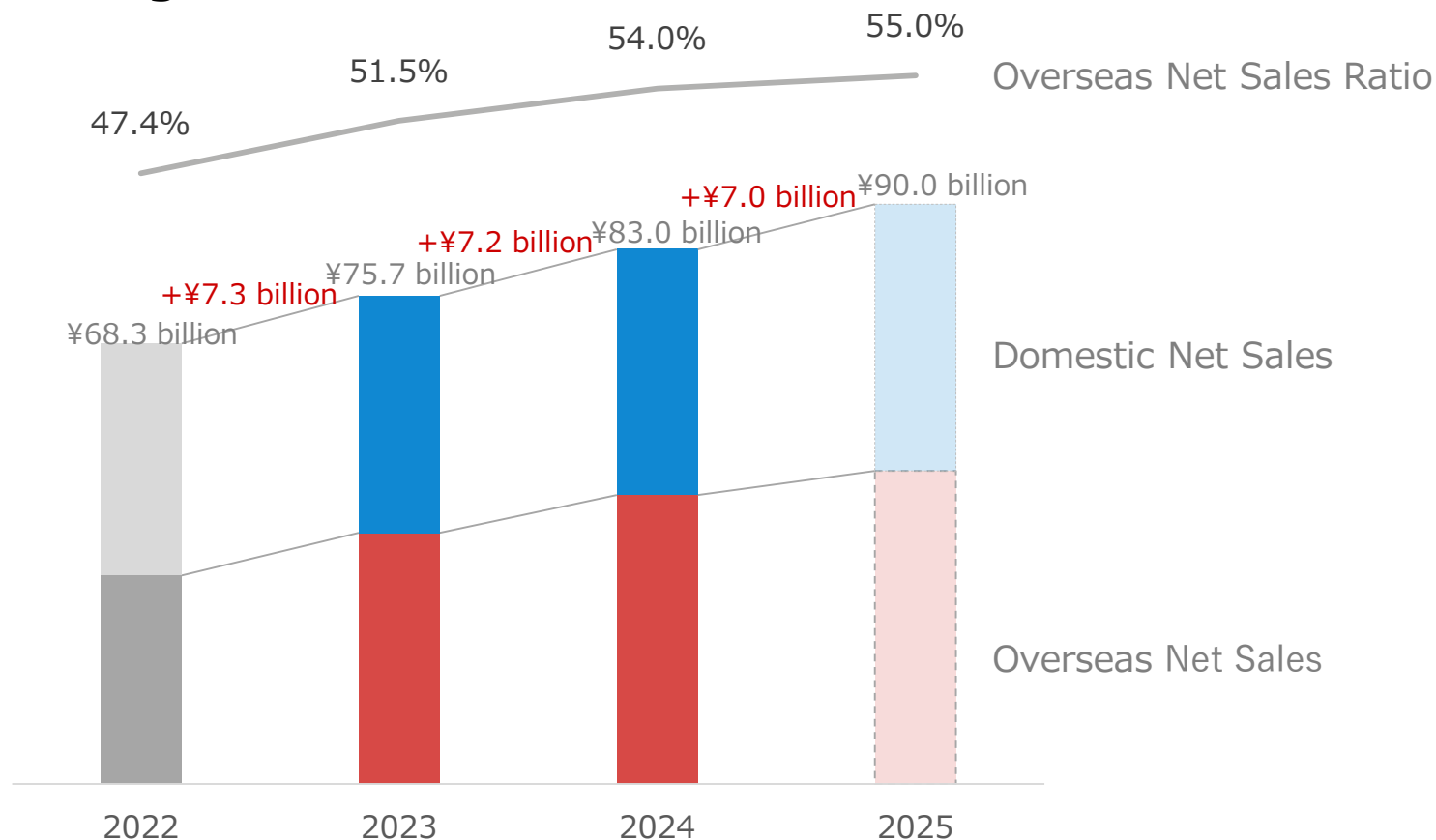
## II-4 Approach to Dividends and Shareholder Returns

**With a focus on maintaining stable dividends,  
dividends will be paid in line with financial performance**



**Aim to achieve net sales of ¥90 billion by expanding overseas business**

### 11th Mid-Term Management Plan - Consolidated Net Sales Forecast



11th Mid-Term Management Plan

## II-5 Development Pipeline Status

### Domestic Development

Development Code/Name	Development Company/Institution	Indication	Phase 1	Phase 2	Phase 3	NDA Filed	NDA Approved	Launch
ZG-801	Zeria	Hyperkalemia					Approval expected in the second half of fiscal year 2024	
Z-338 (Acotiamide)	Zeria	Pediatric Functional dyspepsia						
ZG-802 (Acotiamide)	Zeria	Underactive bladder						
Z-338 (Acotiamide)	Kyushu University	Esophagogastric junction outflow obstruction (Investigator initiated trial)						

### Overseas Development

Development Code/Name	Development Company/Institution	Indication	Phase 1	Phase 2	Phase 3	NDA Filed	NDA Approved	Launch
Z-338 (Acotiamide)	Zeria	Functional dyspepsia	Europe					
Z-338 (Acotiamide)	Meiji Seika Pharma	Functional dyspepsia	Thailand					
Z-338 (Acotiamide)	Faes Farma	Functional dyspepsia	Mexico					
			Honduras, Dominican Republic, Ecuador, Chile, Peru, El Salvador					
			Colombia, Costa Rica, Guatemala, Panama, Nicaragua					
Z-338 (Acotiamide)	F.T. Pharma	Functional dyspepsia	Vietnam					
Z-338 (Acotiamide)	United Italian Trading Corporation	Functional dyspepsia	Singapore					

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