

Appendix to the Consolidated Financial Summary FY2023 First-Half

October 25, 2023

JCR Pharmaceuticals Co., Ltd.

Consolidated Financial Results	2
Consolidated Financial Results - Supplemental Information	3
Breakdown of Net Sales (Consolidated)	4
Breakdown of Net Sales (Consolidated) - Supplemental Information	5
Financial Status (Consolidated)	6
Financial Status (Consolidated) - Supplemental Information	7
Cash Flows (Consolidated)	8
<Reference>	
Net Sales Trends by Product	9
Composition of Net Sales by Item	10
Trends in Sales Breakdown (Consolidated)	11
Net Sales Trends (Excluding AZD1222 Bulk Solution)	12
Trends in Composition Ratio of Cost/Expense	13
Correlation between R&D Expenses (before Deducting) and Main R&D Pipeline	14

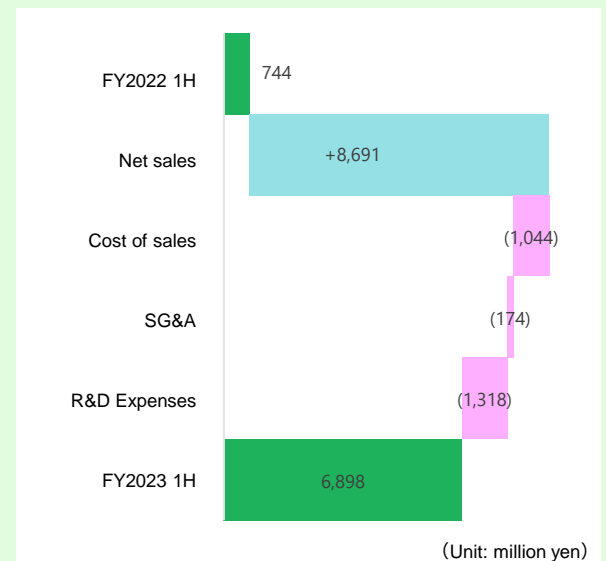
Consolidated Financial Results

(Unit: million yen)



Consolidated	FY2022		FY2023				
	Full-year results	1H results	1H results	Year-on-year		Full-year forecast (Revised)	Progress rate
				Difference	Ratio		
Net sales	34,343	15,581	24,272	+8,691	+55.8%	45,400	53.5%
Cost of sales	8,886	4,836	5,881	+1,044	+21.6%	12,400	47.4%
Gross profit	25,456	10,744	18,391	+7,646	+71.2%	33,000	55.7%
Selling, general and administrative expenses	20,480	9,999	11,493	+1,493	+14.9%	22,500	51.1%
SG&A	11,678	5,782	5,957	+174	+3.0%	12,800	46.5%
R&D expenses	8,802	4,216	5,535	+1,318	+31.3%	9,700	57.1%
Operating profit	4,975	744	6,898	+6,153	+826.2%	10,500	65.7%
Non-operating income	541	861	796	(64)	(7.5)%	—	—
Non-operating expenses	99	36	568	532	+1453.8%	—	—
Ordinary profit	5,418	1,569	7,126	+5,556	+353.9%	10,000	71.3%
Extraordinary income	10	—	—	—	—	—	—
Extraordinary losses	16	9	5	(3)	(38.5)%	—	—
Profit before income taxes	5,412	1,560	7,120	+5,559	+356.2%	—	—
Income taxes	1,625	583	1,860	+1,276	+218.5%	—	—
Profit attributable to owners of parent/Profit	3,772	962	5,253	+4,290	+445.6%	7,300	72.0%
(Reference) R&D expenses before deducting contribution amount by collaborative R&D destinations	9,480	4,415	6,273	1,858	+42.1%	11,700	53.6%

◆ Operating income 6,898 million yen Year-on-year: +6,153 million yen



(Unit: number of people)

Changes in the Number of Employees	As of September 30, 2022	As of September 30, 2023	Increase
Non-consolidated	823	896	73
Consolidated	841	924	83

Supplemental Information on the Consolidated Financial Results

- **Sales and profits increased significantly** year on year, primarily due to increases in product sales and license revenue.
- The increase in **cost of sales** was due to higher product sales.
- The increase in **selling, general and administrative expenses** was mainly due to higher personnel expenses.
- The increase in **R&D expenses** was mainly due to progress on global clinical trials for JR-141, JR-171, and others.
- The increase in **non-operating expenses** was mainly due to recording of share of loss of entities accounted for using equity method related to Mycenax Biotech Inc. in Taiwan, for which JCR underwrote a third-party allotment of shares in the previous fiscal year.
- The increase in **income taxes** was due to the increase in net sales.

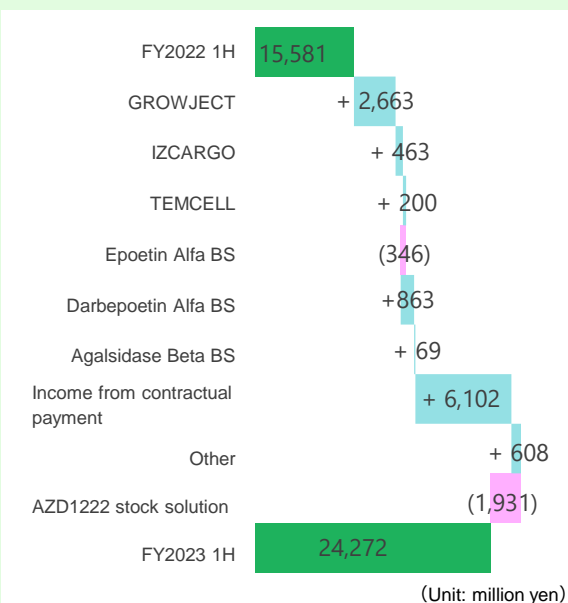
Breakdown of Net Sales (Consolidated)



(Unit: million yen)

Consolidated	FY2022		FY2023				
	Full-year results	1H results	1H results	Year-on-year		Full-year forecast (Revised)	Progress rate
				Difference	Ratio		
GROWJECT®	12,261	6,083	8,746	+2,663	+43.8%	19,500	44.9%
IZCARGO®	4,428	2,118	2,581	+463	+21.9%	5,500	46.9%
TEMCELL® HS Inj.	3,404	1,701	1,901	+200	+11.8%	3,300	57.6%
Treatment for renal anemia	4,696	2,157	2,674	+517	+24.0%	5,000	53.5%
Epoetin Alfa BS Inj. [JCR]	2,710	1,392	1,046	(346)	(24.9)%	2,200	47.5%
Darbepoetin Alfa BS Inj. [JCR]	1,986	765	1,628	+863	+112.8%	2,800	58.1%
Agalsidase Beta BS I.V. Infusion [JCR]	964	521	590	+69	+13.2%	1,400	42.1%
Total Pharmaceutical Products	25,755	12,583	16,495	+3,913	+31.1%	34,700	47.5%
Income from contractual payment	6,546	1,010	7,112	+6,102	+604.2%	8,100	87.8%
Other	109	56	664	+608	+1085.7%	2,600	25.5%
AZD1222 stock solution	1,931	1,931	—	(1,931)	—	—	—
Total Net Sales	34,343	15,581	24,272	+8,691	+55.8%	45,400	53.5%

◆ Net sales **24,272 million yen**
Year-on-year: +8,691 million yen



Supplemental Information on the Breakdown of Net Sales

- Significant sales growth of **GROWJECT**[®], steady market penetration of **IZCARGO**[®], and solid sales of **TEMCELL**[®] contributed to the increase in net sales.
- Sales of **treatment for renal anemia** were in line with the supply plan to our sales partner, Kissei Pharmaceutical Co., Ltd.
- Sales of **Agalsidase Beta BS I.V. Infusion [JCR]** were also in line with the supply plan to our sales partner, Sumitomo Pharma Co., Ltd.
- **License revenue** is progressing as planned.
- For **others**, sales of contract manufacturing have been recorded as planned.
- There was a decrease in income due to the completion of the contract to manufacture AstraZeneca K.K.'s COVID-19 vaccine solution in Japan as planned by FY2022.

Financial Status (Consolidated)



(Unit: million yen)

	End-Mar. 2023	End-Sep. 2023	Change • Main Increase/decrease		End-Mar. 2023	End-Sep. 2023	Change • Main Increase/decrease
Current assets	47,802	57,898	Total +10,095 <ul style="list-style-type: none"> • Cash and deposits +2,689 • Accounts receivable - trade, and contract assets +9,376 • Inventories +757 	Current liabilities	35,762	31,995	Total (3,766) <ul style="list-style-type: none"> • Income taxes payable +2,503 • Short-term borrowings (7,600)
				Non-current liabilities	6,761	14,866	Total +8,104 <ul style="list-style-type: none"> • Long-term borrowings +8,100
Non-current assets	47,135	46,090	Total (1,044) <ul style="list-style-type: none"> • Property, plant and equipment (1,716) • Deferred tax assets +491 	Total liabilities	42,523	46,862	Total +4,338
				Total net assets	52,413	57,125	Total +4,712 <ul style="list-style-type: none"> • Profit +5,253
Total	94,937	103,988	+9,050	Total	94,937	103,988	+9,050

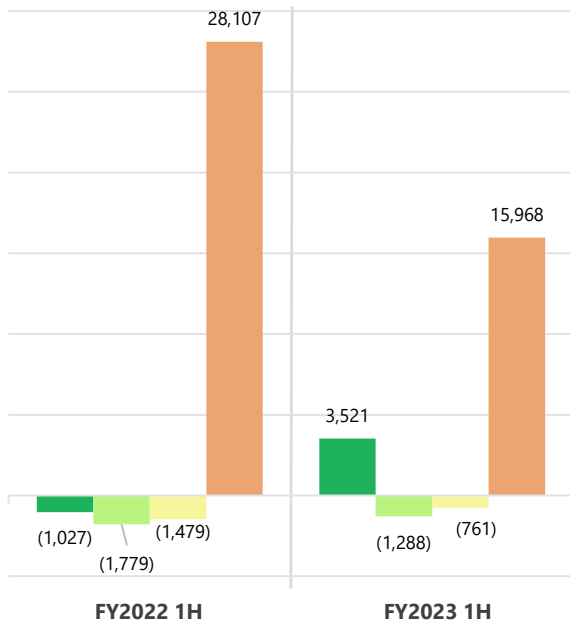
Equity ratio	55.8%	53.9%
---------------------	--------------	--------------

Supplemental Information on Financial Status

- The increase in accounts receivable - trade and contract assets was due to the recording of license revenue and significant sales growth of GROWJECT®.
- The decrease in short-term borrowings and the increase in long-term borrowings were due to the refinancing of short-term borrowings into long-term borrowings in order to reduce the risk of increased interest on borrowings due to future rate hikes and to stabilize the Company's financial base.

Cash Flows (Consolidated)

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



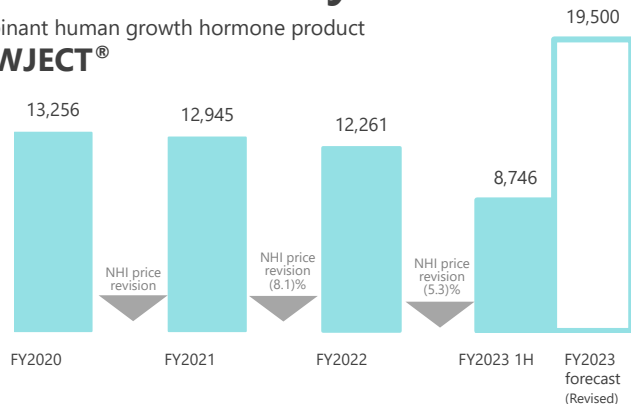
(Unit: million yen)	FY2022 1H	FY2023 1H	Year-on-year
Profit before income taxes	1,560	7,120	+ 5,559
Depreciation	953	1,335	+ 381
Decrease (increase) in trade receivables and accounts receivable – other	6,497	(8,643)	(15,140)
Decrease (increase) in inventories	(1,175)	(757)	+ 417
Increase (decrease) in trade payables and accounts payable – other	(1,984)	373	+ 2,357
Income taxes paid	(5,516)	2,228	+ 7,744
Other	(1,363)	1,864	+ 3,228
Operating Activities	(1,027)	3,521	4,548
Capital investment(property,plant and equipment)	(1,333)	(838)	+ 495
Other	(446)	(449)	(3)
Investing Activities	(1,779)	(1,288)	+ 491
Borrowings	—	500	+ 500
Dividends paid/ treasury shares	(1,480)	(1,238)	+ 242
Other	1	(22)	(24)
Financing Activities	(1,479)	(761)	+ 717
Net increase (decrease) in cash and cash equivalents	(2,625)	2,689	+ 5,315
Cash and Cash Equivalents at End of Period	28,107	15,968	(12,139)

	FY2022		FY2023	
	1H	Full-year	1H	Full-year (forecast)
Depreciation	953	1,997	1,335	2,400
Capital investment (after subsidy deduction)	1,331	4,330	838	2,800

Net Sales Trends by Product

Recombinant human growth hormone product

GROWJECT®

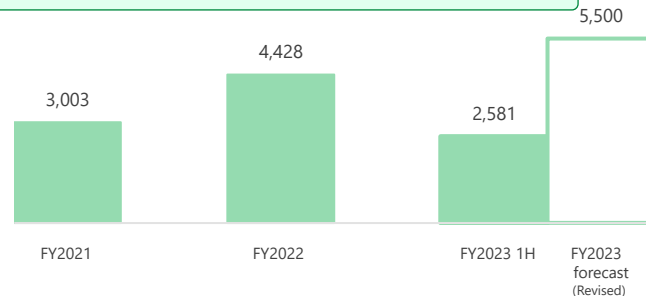


Recombinant therapeutic enzyme for mucopolysaccharidosis II (MPS II)

IZCARGO® I.V. infusion 10mg

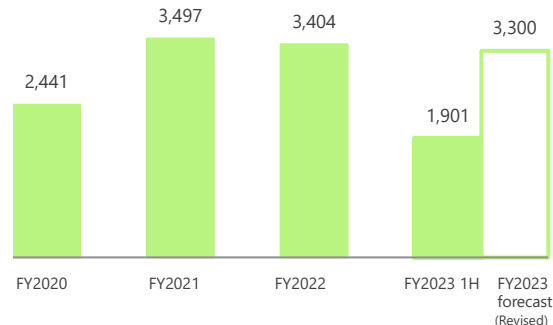
(Unit: million yen)

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



Human somatic stem cell-processed products
Human (allogenic) bone marrow-derived mesenchymal stem cells

TEMCELL® HS Inj.



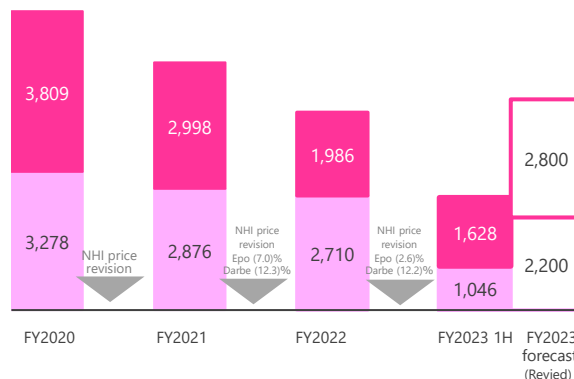
Recombinant erythropoietin product

Epoetin Alfa BS Inj. [JCR]

Long-acting erythropoiesis-stimulating agent

Darbepoetin Alfa BS Inj. [JCR]

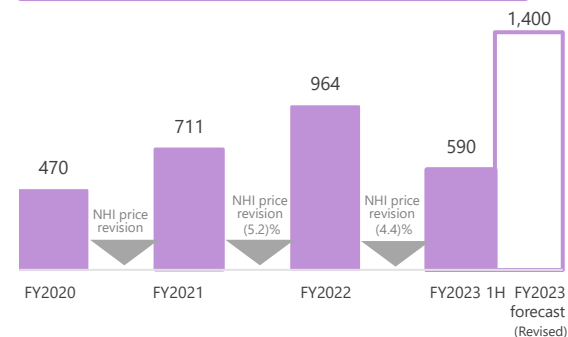
■ Epoetin Alfa
■ Darbepoetin



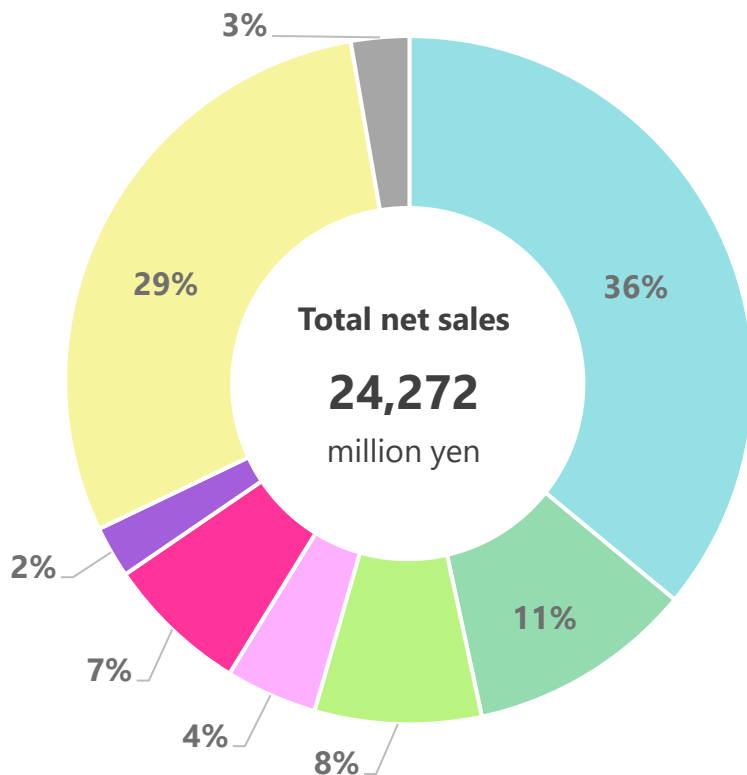
Recombinant treatment for Fabry disease

Agalsidase Beta BS I.V. Infusion [JCR]

Apr. 2022: Sales transferred to Sumitomo Pharma



Composition of Net Sales by Item



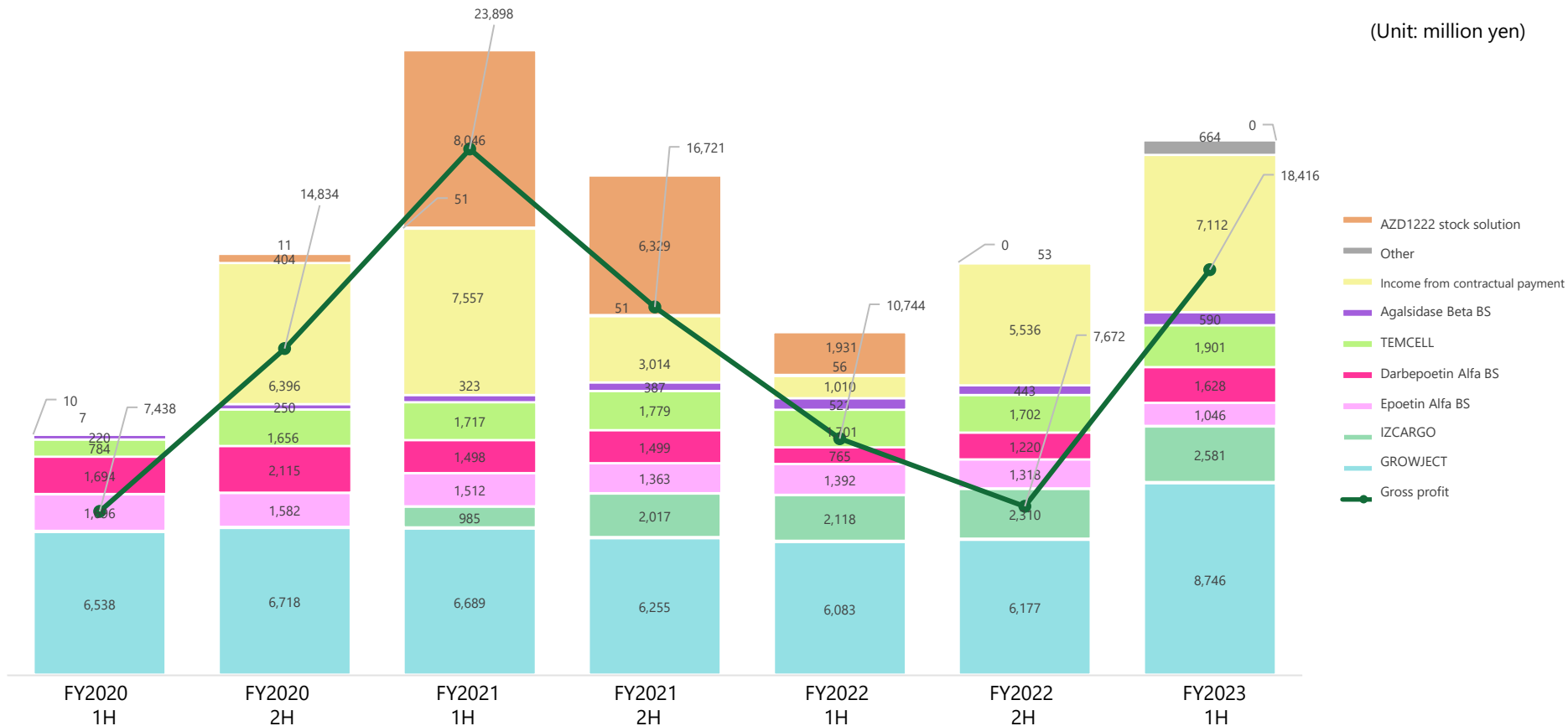
FY2023 1H

● GROWJECT®	8,746 million yen
● IZCARGO®	2,581 million yen
● TEMCELL® HS Inj.	1,901 million yen
● Epoetin Alfa BS Inj. [JCR]	1,046 million yen
● Darbepoetin Alfa BS Inj. [JCR]	1,628 million yen
● Agalsidase Beta BS I.V. Infusion [JCR]	590 million yen
● Income from contractual payment	7,112 million yen
● Other	664 million yen

Trends in Sales Breakdown (Consolidated)



(Unit: million yen)



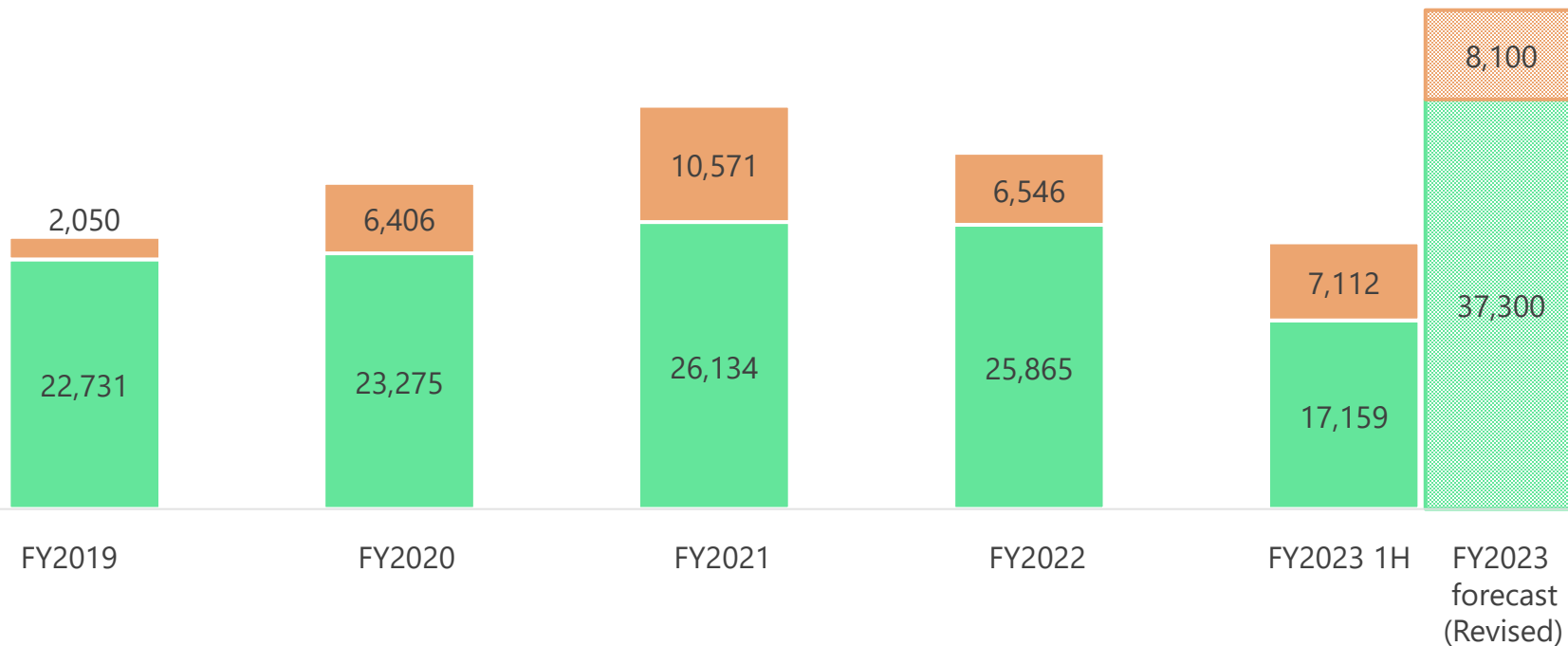
Net Sales Trends (Excluding AZD1222 Stock Solution)



■ Products* sales ■ Income from contractual payment

(Unit: million yen)

* Products: GROWJECT, IZCARGO, treatment for renal anemia, TEMCELL, Agalsidase Beta BS I.V. Infusion [JCR], others

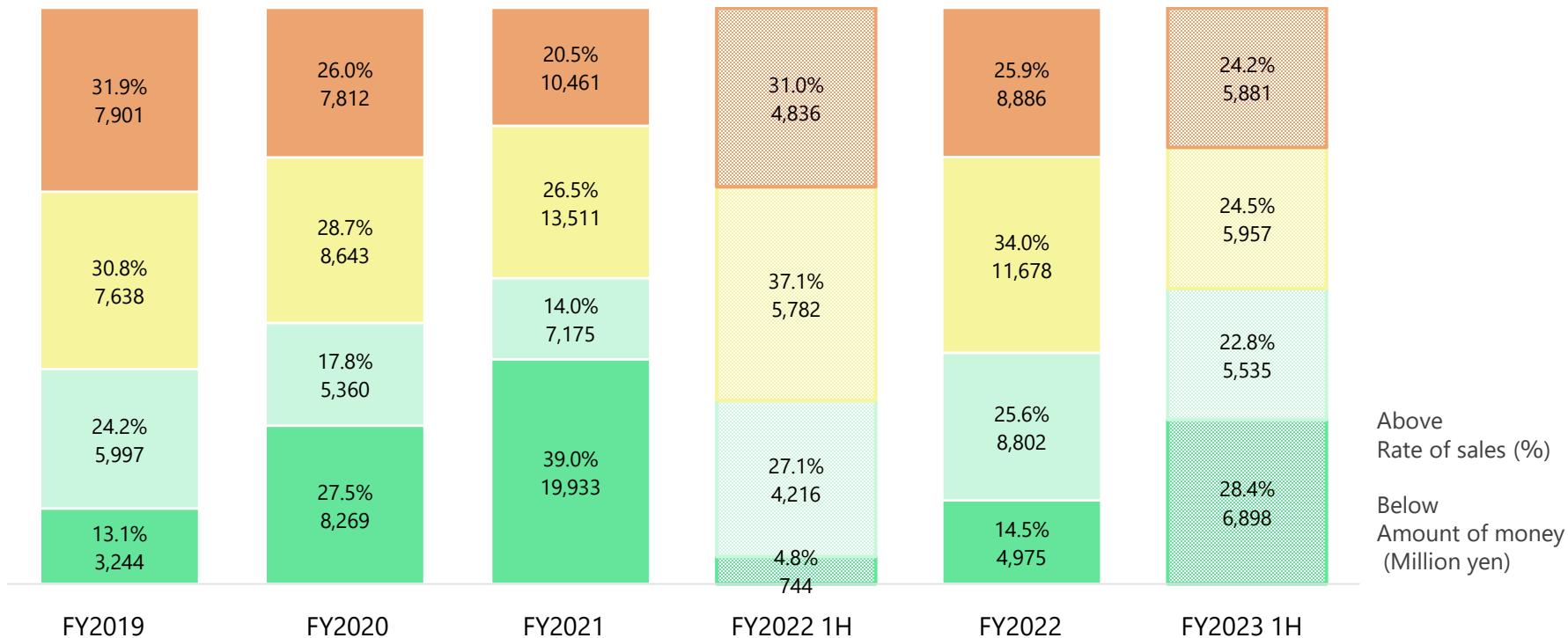


Trends in Composition Ratio of Cost/Expense



(Unit: million yen)

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

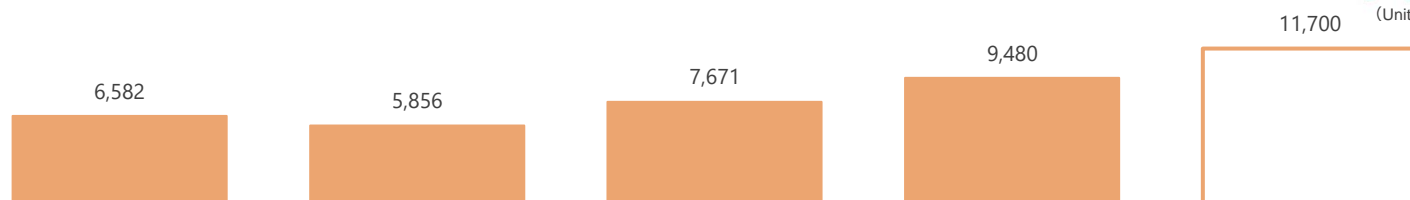


Correlation between R&D Expenses (before Deducting) and Main R&D Pipeline



(Unit: million yen)

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



	FY2019	FY2020	FY2021	FY2022	FY2023 (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	

